

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT		1. CONTRACT ID CODE		PAGE OF PAGES	
				1 413	
2. AMENDMENT/MODIFICATION NO. 0373		3. EFFECTIVE DATE See Block 16C		4. REQUISITION/PURCHASE REQ. NO.	
6. ISSUED BY NNSA M&O Contracting Branch NA-PAS-211 Albuquerque Complex P.O. Box 5400 Albuquerque NM 87185-5400		CODE 05115		5. PROJECT NO. (If applicable) 05047	
8. NAME AND ADDRESS OF CONTRACTOR (No., street, county, State and ZIP Code) CONSOLIDATED NUCLEAR SECURITY, LLC Attn: Susan Starr PO Box 2009 Oak Ridge TN 37830		(x)		9A. AMENDMENT OF SOLICITATION NO.	
				9B. DATED (SEE ITEM 11)	
		x		10A. MODIFICATION OF CONTRACT/ORDER NO. DE-NA0001942	
				10B. DATED (SEE ITEM 13) 01/08/2013	
CODE		FACILITY CODE			

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

☐ The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers ☐ is extended. ☐ is not extended.
Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods: (a) By completing Items 8 and 15, and returning _____ copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or electronic communication which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGEMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by letter or electronic communication, provided each letter or electronic communication makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. ACCOUNTING AND APPROPRIATION DATA (If required)

See Schedule

13. THIS ITEM ONLY APPLIES TO MODIFICATION OF CONTRACTS/ORDERS. IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.

CHECK ONE	A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.
	B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation data, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b).
X	C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF: FAR 43.103(a), Mutual Agreement of the Parties
	D. OTHER (Specify type of modification and authority)

E. IMPORTANT: Contractor ☐ is not ☒ is required to sign this document and return 1 copies to the issuing office.

14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)

UEI: EWV8QKG1JUV7

The purpose of this modification is described below, starting on page 2.

Payment:

Period of Performance: 07/01/2014 to 09/30/2027

Except as provided herein, all terms and conditions of the document referenced in Item 9 A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. NAME AND TITLE OF SIGNER (Type or print) Richard J. Tighe, President and Chief Executive Officer		16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print) William Quigley	
15B. CONTRACTOR/OFFEROR 	15C. DATE SIGNED	16B. UNITED STATES OF AMERICA 	16C. DATE SIGNED 12/08/2025
(Signature of person authorized to sign)		(Signature of Contracting Officer)	

Previous edition unusable

STANDARD FORM 30 (REV. 11/2016)
Prescribed by GSA FAR (48 CFR) 53.243

The purpose of this modification is to update CLIN 0002, SubCLINs, and associated UPF Fee Plan and supplements to reflect all completed scope and the Government-approved Contractor re-baseline and Critical Decision (CD-4) initial Baseline Change Proposal (BCP) 24P322, approved on February 20, 2025, with supplemental BCP 25P161, approved on May 22, 2025. This modification also accomplishes administrative changes to reflect the current NNSA organizational structure and current contact information. Additionally, this modification incorporates the UPF Settlement portion of the Settlement Agreement, executed on September 30, 2022, and agreed to under modification 0269 is amended and incorporated into Section J, Appendix V.

1. The following changes are made to Part I – The Schedule, Section B – Supplies or Services and Prices/Costs as a result of this modification:

CLIN 0002 URANIUM PROCESSING FACILITY (UPF) PROJECT MANAGEMENT [MODs 0015, 0075, 0130, 0201, 0373]

Services being Acquired under this CLIN: The Contractor shall, in accordance with Section J, Appendix A, Chapter IV, and all other applicable terms and conditions of this Contract, provide the personnel, equipment, materials, supplies, and services, (except as may be furnished by the Government) and otherwise do all things necessary for, or incident to the effective, efficient, and safe completion of the UPF.

The cost and fee associated with this CLIN shall be accounted for and reported separately and completely severable from all other parts of this Contract. The Contractor shall notify the Contracting Officer in writing whenever it has reason to believe that the costs it expects to incur under this CLIN in the next 60 calendar days, when added to all costs previously incurred, will exceed 75 percent of the total amount obligated to this CLIN, as specified in Section B-5 of this Contract.

The UPF Fee Plan and supplements in Section J, Appendix B-2 shall be the basis upon which the Government determines the amount of Contractor Earned Fee for this CLIN.

- (a) The UPF Project is being executed by means of seven (7) authorized Subprojects via a combination of Critical Decision (CD) approvals: 1) Main Process Building, 2) Salvage & Accountability Building, 3) Process Support Facilities, 4) Mechanical Electrical Building, 5) Substation, 6) Site Infrastructure and Services, and 7) Site Readiness.
- (b) The UPF Project Critical Decision (CD)-4, *Project Completion*, is January 31, 2032, which includes NNSA Schedule Contingency. Pursuant to DEAR 970.1706-1, Secretarial approval is required to award, renew, or extend the Contract beyond September 30, 2027.
- (c) The values shown below represent the CLIN 0002 estimated contract price.

ESTIMATED COST \$8,373,359,497

AVAILABLE FEE \$95,451,289

CLIN 0002 ESTIMATED COST + MAXIMUM AVAILABLE FEE PRICE \$8,468,810,786

(d) The fee available for CLIN 0002 is:

Performance Period	Available Fee		Earned Fee	
	Award Fee	Schedule Milestone	Award Fee	Schedule Milestone
Prior to FY 2022	\$0	\$34,951,289	\$0	\$34,951,289
FY 2023	\$0	\$1,000,000	\$0	\$1,000,000
FY 2024	\$3,000,000	\$6,500,000	\$2,627,500	\$6,500,000
FY 2025	\$6,720,000	\$14,280,000		
FY 2026	\$4,224,000	\$8,976,000		
FY 2027	\$2,496,000	\$5,304,000		
*FY 2028	\$1,600,000	\$3,400,000		
*FY 2029	\$960,000	\$2,040,000		
*FY 2030	\$0	\$0		
Total	\$95,451,289		\$45,078,789	

* The UPF Project Critical Decision (CD)-4, *Project Completion*, is January 31, 2032, which includes NNSA Schedule Contingency. Pursuant to DEAR 970.1706-1, Secretarial approval is required to award, renew, or extend the Contract beyond September 30, 2027.

(e) The estimated contract price for CLIN 0002 represents a roll up of the following SUBCLINS, including available fee, subject to a final fee determination by the Government:

SUBCLIN 0002A MAIN PROCESS BUILDING SUBPROJECT [MODs 0015, 0075, 0201, 0373]

- (a) This SUB-CLIN for Main Process Building (MPB) Subproject utilizes a cost-reimbursement type Contract with terms for an incentive and award fee structure, whereby the Contractor can earn fee in accordance with Section J, Appendix B-2.

- (b) The MPB will house casting, special oxide production, furnace, repackaging, high-equity calcination, and non-destructive analysis required to safely operate the UPF facility.
- (c) The values shown below represent the MPB estimated contract price.

ESTIMATED COST	\$5,811,025,355
AVAILABLE FEE	\$69,115,936
SUB-CLIN 0002A ESTIMATED COST + MAXIMUM AVAILABLE FEE	\$5,880,141,291

The MPB combined with Contract Budget Base (CBB) includes MPB work to go, Design Management Plan and Site Preparation and Long Lead Procurements.

DESIGN MANAGEMENT PLAN - COMPLETE

- The DMP scope utilized a cost-reimbursement type Contract with terms for an incentive fee structure, whereby the Contractor earned fee in accordance with Section J, Appendix B-2.
- The DMP scope supported the UPF Project by requiring completion of the Conceptual, Preliminary, and Final design, including all the associated safety basis documents required for achieving design completion requirements and critical decisions, before nuclear facility construction authorization.
- The values shown below represent the final DMP contract price.

COST	\$882,119,555
FEE	\$18,791,731
DMP CONTRACT PRICE	\$900,911,286

SITE PREPARATION AND LONG LEAD PROCUREMENT - COMPLETE

- The SP/LL scope utilized a cost-reimbursement type Contract with terms for an incentive fee structure, whereby the Contractor earned fee in accordance with Section J, Appendix B-2.
- The SP/LL scope supported the UPF Project by requiring completion of site preparation construction work and long lead procurements required before nuclear facility construction.
- The values shown below represent the final SP/LL contract price.

COST	\$102,506,264
FEE	\$7,343,573
SP/LL CONTRACT PRICE	\$109,849,837

**SUBCLIN 0002B SALVAGE AND ACCOUNTABILITY BUILDING
SUBPROJECT [MODs 0015, 0075, 0201, 0373]**

- (a) This SUB-CLIN for Salvage and Accountability Building (SAB) Subproject utilizes a cost-reimbursement type Contract with terms for an incentive and award fee structure, whereby the Contractor can earn fee in accordance with the UPF Fee Plan – Master Annex.
- (b) The SAB will house low equity calcination and leaching, chemical recovery, maintenance, non-destructive analysis, and decontamination areas.
- (c) The values shown below represent the SAB estimated contract price.

ESTIMATED COST	\$2,046,003,144
AVAILABLE FEE	\$20,900,000
SUB-CLIN 0002B ESTIMATED COST + MAXIMUM AVAILABLE FEE	\$2,066,903,144

SUBCLIN 0002C PROCESS SUPPORT FACILITIES SUBPROJECT [MODs 0075, 0201, 0373]

- (a) This SUB-CLIN for Process Support Facilities (PSF) Subproject utilizes a cost-reimbursement type Contract with terms for an incentive and award fee structure, whereby the Contractor can earn fee in accordance with Section J, Appendix B-2.
- (b) The PSF will house chilled and demineralized water, instrument air, and chemical and gas storage needed to support the MPB and SAB.
- (c) The values shown below represent the PSF estimated contract price.

ESTIMATED COST	\$172,900,000
AVAILABLE FEE	\$2,560,300
SUB-CLIN 0002C ESTIMATED COST + MAXIMUM AVAILABLE FEE	\$175,460,300

**SUBCLIN 0002D MECHANICAL ELECTRICAL BUILDING SUBPROJECT -
COMPLETE [MODs 0075, 0201, 0373]**

- (a) This SUB-CLIN for Mechanical Electrical Building (MEB) Subproject utilized a cost-reimbursement type Contract with terms for an incentive fee structure, whereby the Contractor earned fee in accordance with Section J, Appendix B.
- (b) The MEB will house utility support systems for both the MPB and the SAB.
- (c) The values shown below represent the final MEB contract price.

	COST	\$301,450,760
	FEE	\$926,806
SUB-CLIN 0002D ESTIMATED COST + MAXIMUM AVAILABLE FEE		\$302,377,566

SUBCLIN 0002E SUBSTATION SUBPROJECT – COMPLETE [MOD 0201, 0373]

- (a) This SUB-CLIN for Substation (SS) Subproject utilized a cost-reimbursement type Contract with terms for a fixed fee structure, whereby the Contractor earned fee in accordance with the Section J, Appendix B-2.
- (b) The SS scope supports the UPF Project by requiring completion of key critical-path power requirements required for subsequent nuclear facility operation.
- (c) The values shown below represent the final SS contract price.

	COST	\$4,633,350
	FIXED FEE	\$268,711
SUB-CLIN 0002E CONTRACT PRICE		\$4,902,061

SUBCLIN 0002F SITE INFRASTRUCTURE AND SERVICES SUBPROJECT – COMPLETE [MOD 0201, 0373]

- (a) This SUB-CLIN for Site Infrastructure and Services (SIS) Subproject utilized a cost reimbursement type Contract with terms for an incentive fee structure, whereby the Contractor earned fee in accordance with Section J, Appendix B-2. This SUB-CLIN 0002F for Site Infrastructure and Services (SIS) Subproject utilizes a cost-incentive fee structure, whereby the fee in accordance with the UPF Fee Plan - Annex 3.
- (b) The SIS scope supported the UPF Project by requiring completion of key critical-path site preparation construction work required for subsequent nuclear facility construction.

(c) The values shown below represent the negotiated SIS values as revised in Annex 3.

COST	\$24,874,891
FEE	\$1,243,016
SUB-CLIN 0002F CONTRACT PRICE	\$26,177,907

SUBCLIN 0002G SITE READINESS SUBPROJECT [MOD 0201, 0373]

- (a) This SUB-CLIN for Site Readiness (SR) Subproject utilizes a cost-reimbursement type Contract with terms for a fixed fee structure, whereby the Contractor earned fee in accordance with Section J, Appendix B-2.
- (b) The SR scope supported the UPF Project by requiring completion of key critical-path site preparation construction work required for subsequent nuclear facility construction.
- (c) The values shown below represent the final SR contract price.

COST	\$12,471,997
FIXED FEE	\$436,520
SUB-CLIN 0002G CONTRACT PRICE	\$12,908,517

END OF CLIN 0002

B-1 CONTRACT TYPE AND VALUE [MODs 0052 (NO CHANGE), 0075, 0084, 0091, 0136, 0155, 0157, 0165, 0185, 0191, 0236, 0252, 0373]

This is a Performance Based Contract for the Management and Operation of DOE/NNSA facilities governed by FAR 17.6, DEAR 917.6, and DEAR Part 970. It is a Management and Operating (M&O) Cost-Reimbursement Contract with terms for a Fixed Fee, Award Fee, and Cost Savings Incentive Fee for CLIN 0001, and terms for a Fixed Fee, Award Fee, and Incentive Fee for CLIN 0002. The contract types and values under CLIN 0003 shall be established as each Sub-CLIN is awarded under CLIN 0003.

The total estimated cost, excluding fee and Strategic Partnership Projects/Other Reimbursable Work related to NNSA work:

Year	Total

1	\$1,775,166,000
2	\$1,814,749,907
3	\$2,021,030,633
4	\$2,244,534,807
5	\$2,631,698,436
OPTION I	
6	\$2,879,573,859
7	
6-Month Extension Period (Oct 1, 2021 - Mar 31,2022)	
6-Month Extension Period (April 1, 2022 – Sept 30, 2022)	
OPTION II	Not Exercised
8	
9	
OPTION III	Not Exercised
10	

[Table to be completed by the Government during the term of the Contract.]

B-2 CONTRACT FEE STRUCTURES *[MODs 0015, 0075, 0121, 0165, 0185, 0193, 0236, 0252, 0269, 0291, 0330, 0373]*

(a) Fee Structure for CLIN 0001 *[MODs 0121, 0165, 0193, 0236, 0252, 0269, 0291, 0330]*

(1) Definitions.

Total Available Fee = Fixed Fee + Award Fee

- (2) The Total Available Fee for the Base Term of the Contract, and the option period(s), if exercised by NNSA, is shown in the tables for CLIN 0001B, 0001C, 0001D, and 0001E, including 0001G, if exercised. The Total Available Fee shall not exceed 3.5% of the FY 2011 budget (\$1.33B for both Pantex Plant and Y-12, and \$1.50B should SRTO option be exercised).

The Total Available Fee for 6-month extension period (October 1, 2021 – March 31, 2022), excluding Strategic Partnership/Other Reimbursable Work, is shown in the CLIN 0001I table. The Total Available Fee shall not exceed the mutually agreed upon amount reflected in the CLIN 0001I table.

The Total Available Fee for 6-month extension period (April 1, 2022 – Sept 30, 2022), excluding Strategic Partnership/Other Reimbursable Work, is shown in the CLIN 0001I table. The Total Available Fee shall not exceed the amount reflected in the CLIN 0001I table.

The Total Available Fee for period of performance beginning October 1, 2022, is shown in the above tables for CLINs 0001K, and, if exercised, 0001L, 0001M, and 0001N, respectively.

(i) Fixed Fee

The Contractor will be paid a Fixed Fee (except as identified in Section B, B-2(a)(4), Strategic Partnership Projects/Other Reimbursable Work Fixed Fee) during the first year of the Base Term in the CLIN 0001B table. No Fixed Fee will be paid for the remaining years of the Contract except as noted below for the two 6-month extension periods from October 1, 2021 - March 31, 2022 and April 1, 2022 – Sept 30, 2022.

The Contractor will be paid a fixed fee for the 6-month extension period (October 1, 2021 – March 31, 2022) as identified in the CLIN 0001I table.

The Contractor will be paid a fixed fee for the 6-month extension period (April 1, 2022 – Sept 30, 2022) as identified in the CLIN 0001I table.

The Contractor will be paid a fixed fee for the management and operation of Pantex during period October 1, 2024 – October 31, 2024, as identified in the CLIN 0001K table in accordance with I-23, DEAR 970.5232-2, Payments and Advances (Oct 2021) Alternate II (Oct 2021) Alternate IV (Dec 2000) (NNSA Class Deviation Feb 2022).

Fee rates used in support of the extension of any Pantex option period under FAR 52.217-8, Option to Extend Services, shall be the applicable fee rate(s) presented in the terms of the applicable CLIN in Section B of the contract.

(ii) Award Fee

The Contractor will be paid an Award Fee for accomplishments under the Performance Evaluation and Measurement Plan (PEMP). The Available Award Fee is reflected in the above table for CLINs 0001B, 0001C, 0001D, and 0001E, including 0001G, if exercised.

The Contractor will be paid an Award Fee for the 6-month extension period (October 1, 2021 – March 31, 2022) for accomplishments under the PEMP. The Available Award Fee for the 6-month extension period is reflected in the CLIN 0001I table.

The Contractor will be paid an Award Fee for the 6-month extension period (April 1, 2022 – Sept 30, 2022) for accomplishments under the PEMP. The Available Award Fee for this 6-month extension period is reflected in the CLIN 0001I table.

The Contractor will be paid an Award Fee for period of performance beginning October 1, 2022, for accomplishments under the Performance Evaluation and

Measurement Plan (PEMP). The Available Award Fee is reflected in the above tables for CLINs 0001K, and, if exercised, 0001L, 0001M, and 0001N, respectively.

Fee rates used in support of the extension of any Y-12 option period under FAR 52.217-8, Option to Extend Services, shall be the applicable fee rate(s) presented in the terms of the applicable CLIN in Section B of the contract.

(3) Cost Savings Incentive Fee

The Contractor will be paid a Cost Savings Incentive Fee under the approved Cost Reduction Proposal (CRP) submitted in accordance with the Contract's Section I Clause entitled "DEAR 970.5215-4, Cost Reduction". In the event savings are not sustained through FY2021, as verified by the Government, the Government is entitled to reimbursement of previously paid CSIF and will obtain it out of future fee. Payment will be made promptly but not later than 90 days after the cost baseline data and adequate records to support validation are supplied to the Government to make a decision on the share of cost savings.

Transition Term: The Contractor may begin cost savings initiatives before the CRP is approved and may be eligible for cost savings incentive fee if the terms of the Contract's Section I Clause entitled "DEAR 970.5215-4, Cost Reduction" can be met. Cost savings initiatives before the CRP is approved could include changes in the full-time equivalent (FTE) baseline during the Transition Term, provided there is a corresponding reduction in costs. Savings will be paid in accordance with the Contract's Section I Clause entitled "DEAR 970.5215-4, Cost Reduction".

6-Month Extension Period (October 1, 2021 – March 31, 2022): The cost saving program, as implemented under CLIN 0001B through CLIN 0001C, ends September 30, 2021. The Contractor will not be eligible to earn CSIF for the 6-month extension period from October 1, 2021 - March 31, 2022, or for any subsequent contract period. During the 6-month extension period from October 1, 2021 - March 31, 2022, the Contractor will be paid a monthly Cost Savings Fixed Fee, as negotiated, and reflected in the CLIN 00001I table above. This amount is in addition to CSIF that may be payable to CNS for FY 2021 after validation by CNS and verification by NNSA in response to the Cost Savings Validation Report. During the 6-month extension period, the Contractor agrees that it shall not take any action that increases cost or staffing levels beyond those levels set forth in the approved FY 2022 Annual Controlled Baseline (ACB), unless approved by the Contracting Officer.

(4) Strategic Partnership Projects/Other Reimbursable Work Fixed Fee ***[MOD 0165, 0236, 0252, 0269]***

The estimated cost and the available Fixed Fee for Strategic Partnership Projects/Other Reimbursable Work during the Base Term of the Contract and for each Option Term will be established by the NNSA prior to the commencement of the applicable year of the Contract and will be incorporated into the CLIN 0001H table through a modification to this Contract. The Fixed-Fee for Strategic Partnership

Projects/Other Reimbursable Work will be up to 3% of the estimated cost of each project. If the work sponsor or the Government subsequently orders material changes in the amount or character of the Strategic Partnership Projects/Other Reimbursable Work, an equitable adjustment of the fee, if any, shall be made in accordance with the Contract's Section I Clause entitled "DEAR 970.5243-1, Changes." If the Contractor anticipates the amount of estimated cost to change for Strategic Partnership Projects/Other Reimbursable Work due to new or deleted reimbursable work projects, an adjustment to the estimated cost and Strategic Partnership Projects/Other Reimbursable Work Fixed Fee for reimbursable work shall be submitted for approval by the Contracting Officer. Strategic Partnership Projects Fixed Fee is not a component of Total Available Fee under CLINS 0001B, 0001C, 0001D, 0001E and 0001G, if exercised.

A Fixed Fee for the 6-month extension period (October 1, 2021 – March 31, 2022) will be paid monthly at the amounts reflected in the in CLIN0001J table. Strategic Partnership Projects Fixed Fee is not a component of Total Available Fee under CLIN's 0001B, 0001C, or CLIN 0001I.

A Fixed Fee for the 6-month extension period (April 1, 2022 – Sept 30, 2022) will be paid monthly at the amounts reflected in the in CLIN0001J table. Strategic Partnership Projects Fixed Fee is not a component of Total Available Fee under CLIN's 0001B, 0001C, or CLIN 0001I.

A Fixed Fee for period of performance beginning October 1, 2022, will be paid monthly at the amounts reflected in the CLIN 0001O table and, if exercised, 0001P, 0001Q, and 0001R, respectively. Strategic Partnership Projects Fixed Fee is not a component of Total Available Fee under CLINs 0001B, 0001C, 0001I, 0001K, 0001L (Option), 0001M (Option), or 0001N (Option).

(5) Provisional Payment of Fee *[MOD 0193, 0236, 0252, 0291]*

- (i) The Fixed Fee for the Base Term of the Contract shall be paid monthly at the rate of one-twelfth (1/12) of the annual Fixed Fee per month. Such payment amounts are to be drawn down by the Contractor from the Contract's special financial institution account in monthly installments on the last day of each month.

For the 6-month period (October 1, 2021 – March 31, 2022) the fixed fee shall be paid monthly as shown in CLIN 0001I and CLIN 0001J tables. Such payment amounts are to be drawn down by the Contractor from the Contract's special financial institution account in monthly installments on the last day of each month.

For the 6-month period (April 1, 2022 – Sept 30, 2022) the fixed fee shall be paid monthly as shown in CLIN 0001I and CLIN 0001J tables. Such payment amounts are to be drawn down by the Contractor from the Contract's special

financial institution account in monthly installments on the last day of each month.

- (ii) The Award Fee is authorized for draw down by the Contractor from the Contract's special financial institution account as follows:
- (A) In monthly provisional fee payments equivalent to 3% of the Available Award Fee (with the understanding that the Contractor is authorized to draw down 51% of the total Available FY 2019 Award Fee on a provisional basis), or
 - (B) Upon completion of milestones or any other methodology as set forth in the Performance Evaluation and Measurement Plan and its supporting documentation; and
 - (C) The balance, if any, upon issuance of the Contracting Officer's notification in accordance with Section B, B-7, Performance Evaluation and Measurement Plan.
 - (D) If the provisional payments made above exceed the Award Fee earned or the Contractor fails to fully accomplish the objective/incentive for which it has received milestone completion or provisional payments, the Contracting Officer will determine if the Contractor is to refund all or part of the provisional fee it has received. Any refund made shall include interest. Interest will be paid at the published prime rate of the financial institution (depository) in which the special account is established or at the interest rate established by the Secretary of the Treasury as provided in Section 12 of the Contract Disputes Act of 1978 (Public Law 95-563) whichever is higher, which is applicable to the period in which any unearned payments were made. Interest paid resulting from this clause is an unallowable cost.
 - (E) The Contractor shall remit any balance due payable to the Government in accordance with directions to be provided by the Contracting Officer.
 - (F) For the 6-month extension period (October 1, 2021 – March 31, 2022), the contractor is authorized to draw down 50% of total monthly available Award Fee per month shown in CLIN 0001I. Such payment amounts are to be drawn down by the Contractor from the Contract's special financial institution account in monthly installments on the last day of each month.

For the 6-month extension period (April 1, 2022 – Sept 30, 2022), the contractor is authorized to draw down 50% of total monthly available Award Fee per month shown in CLIN 0001I. Such payment amounts are to be drawn down by the Contractor from the Contract's special financial institution account in monthly installments on the last day of each month.

(G) In monthly provisional fee payments equivalent to 3% of the Available Award Fee for the period beginning October 1, 2022.

- (iii) The Contractor is authorized semi-annual provisional payments of the Cost Savings Incentive Fee. The Contractor is authorized to be paid on March 31 and September 30 of each year of the 24-month fee sharing period. Each semiannual provisional CSIF payment may be up to 50% of the fee associated with the sustainment of savings validated by NNSA and up to 25% of the CSIF associated with that year's claimable savings from the approved CRP. If the provisional payment results in overpayment, the Contracting Officer will determine if the Contractor is to refund all of part of the provisional fee it has received. Any refund made shall include interest. Interest will be paid at the published prime rate of the financial institution (depository) in which the special account is established or at the interest rate established by the Secretary of Treasury as provided in Section 12 of the Contract Disputes Act of 1978 (Public Law 95-563) whichever is higher, which is applicable to the period in which any unearned payments were made. Interest paid for this clause is an unallowable cost.

For the 6-month extension period (October 1, 2021 – March 31, 2022), the contractor is authorized to draw the Cost Savings Fixed Fee monthly as shown in the CLIN 0001I table. Such payment amounts are to be drawn down by the Contractor from the Contract's special financial institution account in monthly installments on the last day of each month.

(6) Unearned Fee

NNSA HQ will determine how unearned fee is reinvested in the Nuclear Security Enterprise. Unearned fee will not be available for future performance periods.

- (7) Except for the conditions identified in this clause, there shall be no adjustment in the amount of the Contractor's fee by reason of differences between the FY11 budgeted cost for performance of the work under this Contract and the actual cost of performance of that work.

(b) Fee Structures for CLIN 0002 UPF *[MODs 0015, 0075, 0373]*

(1) Definitions

Available Fee = Award Fee (Subjective) + Schedule Milestone Fee (Objective)

- (2) The Available Fee or Fixed Fee for CLIN 0002 scope is shown at the CLIN and SUB-CLIN level for each discrete scope of work, with specific details of the fee structure included in Section J, Appendix B-2.
- (3) Notwithstanding the Contract's Section I Clause entitled "DEAR 970.5243-1, Changes," the Contractor's proposed fee percentage (5%) is not subject to adjustment

but will be used by the Government for establishing the target performance objective, in accordance with Section J, Appendix B-2.

(4) CLIN Contract Values

- (i) The estimated CLIN value will be updated by the Contracting Officer by bilateral Contract modification as required to reflect any negotiated changes.

(5) SUBCLIN Contract Values

- (i) The estimated SUBCLIN values will be updated with the final contract price values by the Contracting Officer via a bilateral Contract modification after the final fee determinations are made by the Government.

(6) Provisional Payment of Fee

- (i) Provisional payment of fee for CLIN 0002 shall be requested by the Contractor and approved by the Contracting Officer in accordance with Section J, Appendix B-2.
- (ii) The balance of Available Fee or Fixed Fee, if any, will be paid upon issuance of the Contracting Officer's notification in accordance with Section J, Appendix B-2.
 - (A) If the provisional payments made above exceed the Total Earned Fee in CLIN 0002, or the Contractor fails to fully accomplish the performance objectives for which it has received provisional payments, the Contracting Officer will determine if the Contractor is to refund all or part of the provisional fee it has received.
 - (B) The Contractor shall remit any balance due payable to the Government in accordance with Section J, Appendix B-2.

(7) Earned Payment of Fee

- (i) Earned Fee is due the Contractor by virtue of its meeting the stated performance objectives for completing the CLIN 0002 Contract requirements and deliverables entitling it to fee, including any stretch goals, in accordance with Section J, Appendix B-2.
- (ii) All fee is 100% at risk until earned. How and when fee is earned will be negotiated and captured in accordance with Section J, Appendix B-2. All fee is subject to the terms and conditions of this Contract, including any special contract requirements, in accordance with Section J, Appendix B-2.

(c) Fee Structures for CLIN 0003 Capital Construction Projects **[MOD 0185]**

The fee structure(s), and associated terms and conditions established under CLIN 0003 will be determined when each Sub-CLIN is awarded.

B-7 PERFORMANCE EVALUATION AND MEASUREMENT PLAN (PEMP) [MODs 0015, 0045, 0052, 0165, 0179, 0193, 0236, 0252, 0373]

- (a) Performance Evaluation and Measurement Plan. A PEMP developed by NNSA for this Contract, with Contractor input, shall document the process by which the Contractor's performance will be evaluated, except for the work covered by CLIN 0002, which will have a separate plan as outlined in Section B, B-8, UPF Fee Plan. The Parties will strive to reach mutual agreement on expected business, operational and technical performance and will work together to establish the performance evaluation plan. In the event the parties cannot come to agreement on the PEMP, the Y-12 Field Office (YFO) Manager reserves the unilateral right to make the final decision, including changes thereto, on all performance objectives, goals, and measures and the methodology used to evaluate Contractor performance. The PEMP shall be finalized, whether bilaterally or unilaterally, prior to the start of an evaluation period and incorporated into the Contract at Section J, Appendix B-1, Performance Evaluation and Measurement Plan by a formal contract modification executed by the Contracting Officer. The YFO Manager and Contracting Officer may revise the PEMP, consistent with Section J, Appendix A, Statement of Work (SOW), during the evaluation period of performance. The Contracting Officer will incorporate any revisions to the PEMP through a contract modification. No changes will be made to the PEMP with less than 60 days remaining in the evaluation period.
- (b) Contractor Appraisal Self-Assessment Report. A periodic self-assessment shall be prepared by the Contractor for consideration by the Government in developing an annual Performance Evaluation Report (PER).
- (c) Determination of Award Fee
- (1) Award Fee (AF) Determination. The amount of AF earned will be based on the Contractor's performance as evaluated against the Performance Evaluation and Measurement Plan (PEMP). The amount of AF earned will be unilaterally determined by NNSA's Fee Determining Official (FDO), who will document the amount and the basis of the AF determination in a Fee Determination Letter.
 - (2) Contractor Notification. Each year (except for the year 2019), no later than December 15 (or the first business day thereafter, if December 15 is a Saturday, Sunday, or Federal holiday), the Contracting Officer will notify the Contractor of the amount of AF earned and provide the Fee Determination Letter. For the year 2019

specifically, the Contracting Officer will notify the Contractor of the amount of AF earned and provide the Fee Determination Letter at the time the Option Term 2 Gateway Decision Point is determined by the Fee Determining Official. This shall occur not later than June 30, 2020.

For the 6-month extension period (October 1, 2021 – March 31, 2022), the Contracting Officer will notify the Contractor of the amount and the basis of the AF earned and provide the Fee Determination Letter no later than June 15, 2022.

For the 6-month extension period (April 1, 2022 – Sept 30, 2022), the Contracting Officer will notify the Contractor of the amount and the basis of the AF earned and provide the Fee Determination Letter no later than December 15 (or the first business day thereafter, if December 15 is a Saturday, Sunday, or federal holiday).

- (3) AF Delay. If the Contracting Officer does not notify the Contractor of the amount of AF earned by the date specified in (b), the Contractor shall be entitled to interest on the AF earned, following the procedures outlined at 5 C.F.R. § 1315.10. For purposes of this calculation, the payment due date is considered to be the day after the date specified in (c)(2) above.

Other Reductions to AF. In the event that the Contractor's performance is considered to be less than the level of performance set forth in the Statement of Work, as amended to include the current Work Authorization Directive or similar document, for any contract requirements it will be considered by the FDO, or his designee, who may adjust the fee determination to reflect such performance. Any such adjustment shall be in accordance with the Clause I-18 of the contract, entitled "Conditional Payment of Fee, Profit, and other Incentives- Facility Management Contracts."

B-8 UPF FEE PLAN [MODs 0015, 0075, 0181, 0373]

- (a) UPF Fee Plan. A UPF Fee Plan and supplements developed by the Government, with Contractor input, shall document the process by which the Contractor's performance will be evaluated for CLIN 0002. The Parties will strive to reach mutual agreement on expected performance objectives and deliverables, and will work together to establish the initial UPF Fee Plan and supplements. In the event the Parties cannot come to agreement on the initial UPF Fee Plan, the UPF Federal Project Director reserves the unilateral right to make the final decision, including changes thereto, on all performance objectives, goals, and measures and the methodology used to evaluate Contractor performance.

The initial UPF Fee Plan shall be finalized, whether bilaterally or unilaterally, and incorporated into this Contract at Section J, Appendix B-2, by a formal contract modification executed by the Contracting Officer. The Government may update the established UPF Fee Plan and supplements, consistent with Section J, Appendix A, Statement of Work (SOW), during the performance of project. The Contracting Officer will incorporate any revisions to the established UPF Fee Plan and supplements through a bilateral contract modification.

- (b) Contractor's Request for Fee. All fee requests shall be prepared by the Contractor in accordance with Section J, Appendix B-2.
 - (c) Determination of Earned Fee. All fee determinations shall be made in accordance with Section J, Appendix B-2.
 - (d) Fee Adjustments. All fee adjustments shall be made in accordance with Section J, Appendix B-2, and Section I, I-18, DEAR Clause 970.5215-3 Conditional Payment of Fee, Profit, and Other Incentive - Facility Management Contracts (AUG 2019). The Government will only consider fee adjustments for circumstances directly attributable to Contractor performance related to the UPF Project.
2. The following administrative changes are made to Part I – The Schedule, Section G – Contract Administration Data as a result of this modification:

G-1 GOVERNMENT CONTACTS & CORRESPONDENCE PROCEDURES */MODs 0015, 0045, 0108, 0185, 0291, 0373/*

- (a)
 - (1) The Y-12 Field Office (YFO) Manager for this Contract is the Contractor's primary point of contact for all technical and administrative matters, except as identified in Section G, G-3, DOE/NNSA Patent Counsel, regarding performance of this Contract under CLIN 0001. The YFO Administrative Contracting Officer (ACO) is the Contractor primary point of contact for all contractual matters related to CLIN 0001. The YFO Manager and YFO ACO can be reached at:

Y-12 Field Office	Y-12 Field Office
Attn: YFO Manager	Attn: YFO ACO
P.O. Box 2050	P.O. Box 2050
Oak Ridge, TN 37831-8009	Oak Ridge, TN 37831-8009
 - (2) The UPF Federal Project Director (FPD) for this Contract is the Contractor's primary point of contact for all technical and administrative matters, except as identified in Section G, G-3, DOE/NNSA Patent Counsel, regarding performance of this Contract under CLIN 0002. The UPF FPD can be reached at:

UPF Federal Project Director
U.S. Department of Energy/NNSA Y-12 Acquisition and Project Management
Office, NA-93
1099 Commerce Park, MS: 8116
Oak Ridge, TN 37830-8027

The UPF Construction Contracting Officer (CCO) is the Contractor's primary point of contact for all contractual matters related to CLIN 0002. The UPF CCO can be reached at:

UPF Construction Contracting Officer
U.S. Department of Energy/NNSA Y-12 Acquisition and Project Management
Office, NA-93
1099 Commerce Park, MS: 8116
Oak Ridge, TN 37830-8027

- (3) The NNSA Construction Contracting Division CCO is primarily responsible for all contractual and administrative matters related to CLIN 0003. The cognizant CCO for the administration of each Sub-CLIN will be identified therein. The Construction Contracting Division CCO can be reached at:

Construction Contracting Officer
U.S. Department of Energy/NNSA Office of Infrastructure, NA-921
NNSA Albuquerque Complex
24600 20th St SE
Kirtland Air Force Base
Albuquerque, NM 87117-5507

- (4) The Procuring Contracting Officer (PCO) is responsible for all Contractual actions required to be taken by the Government under the terms of this Contract. The PCO can be reached at:

Procuring Contracting Officer
U.S. Department of Energy/NNSA M&O Contracting Branch, NA-PAS-211
NNSA Albuquerque Complex
24600 20th St SE
Kirtland Air Force Base
Albuquerque, NM 87117-5507

- (b) Technical and Administrative Correspondence:

Technical and Administrative Correspondence concerning performance of this Contract shall be addressed to the responsible NNSA Contracting Officer's Representative (COR) with an information copy to the ACO. CORs are listed in Section J, Appendix R.

- (c) Designation of Contracting Officer's Representative(s)

The COR's official delegation of authority will be provided to the Contractor in writing. The delegation will describe the COR's authorities in detail. However, it is emphasized that only the Contracting Officer has the authority to modify the terms of the Contract, therefore, in no event will any understanding, agreement, modification, change order or other matter deviating from the terms of the basic Contract between the Contractor and any other person be effective or binding on the Government. When/If, in the opinion of the

Contractor, an effort outside the existing scope of the Contract is requested, the Contractor shall promptly notify the Contracting Officer in writing, before proceeding with the COR Direction. No action shall be taken by the Contractor unless the Contracting Officer has issued a formal, written contractual change.

If an effort under this Contract requires that an Alternate COR is to perform duties in the absence of the responsible COR, all responsibilities and functions assigned to the COR shall be the responsibility of the Alternate COR acting on behalf of the COR.

(d) Contractual Correspondence /Matters

Correspondence involving contractual matters such as changes to contract terms and conditions (not including clause updates), funding, and cost savings shall be addressed to the *Procuring Contracting Officer (PCO)*. The PCO shall be primarily responsible for Contractual actions required to be taken by the Government under the terms of this Contract. Notwithstanding the above, in the event the primary (PCO) is absent for an extended period or an urgent action is required, any other duly appointed Contracting Officer assigned shall be authorized to take the required Contractual action(s) within the limits of his/her authority. All correspondence involving the administration and execution of the existing terms and conditions, to include clause updates of the contract are to be addressed by the field office Administrative Contracting Officers (ACO).

(e) Marking

To promote timely and effective administration, correspondence submitted under this Contract shall contain a subject line commencing with the Contract Number, illustrated:

“SUBJECT: CONTRACT NUMBER DE-NA0001942, (insert subject topic after Contract Number, e.g., ‘Request for subcontract placement approval.’)”

(f) Distribution

A copy of correspondence addressed to the Contracting Officer or ACO shall be provided to the YFO Manager or the UPF FPD, as appropriate.

G-3 DOE/NNSA PATENT COUNSEL [MOD 0373]

The Patent Counsel for items concerning patent, intellectual property, technology transfer, copyright, open source, licenses and technical data issues is identified below. Correspondence being sent to the DOE/NNSA Patent Counsel should be addressed to:

NNSA Patent Counsel
Office of General Counsel (NA-GC)
National Nuclear Security Administration
U.S. Department of Energy
1000 Independence Ave., SW
Washington, DC 20585

G-4 DOE/NNSA ORGANIZATIONAL PROPERTY MANAGEMENT OFFICER *[MOD 0373]*

The Contractor may use the Organizational Property Management Officer as a point of contact for guidance and assistance involving property requirements. The Contracting Officer shall be contacted for any matter which involves a change in any of the express terms and conditions of the Contract. Correspondence being sent to the Organizational Property Management Officer should be addressed to:

Organizational Property Management Officer (OPMO)
Personal Property Albuquerque
24600 20th St SE
Kirtland Air Force Base
Albuquerque, NM 87117-5507
Telephone: (505) 845-5950

G-5 CONTRACTOR CONTACT *[MODs 0091, 0211, 0291, 0373]*

The Contractor shall identify to the Contracting Officer the point of contact who has the authority and is responsible for managing, administering, and negotiating changes to the terms and conditions of this Contract, as well as executing Contract modifications on behalf of the Contractor.

Name: [REDACTED]
Position: President and Chief Executive Officer
Company: Consolidated Nuclear Security, LLC
Address: 301 Bear Creek Road, PO Box 2009, Oak Ridge, TN 37831
Phone: [REDACTED]
E-mail: [REDACTED]

3. The following changes are made to Part III – List of Documents, Exhibits, and Other Attachments, Section J – List of Attachments as a result of this modification:
 - a. Appendix A, Statement of Work, Chapter IV – UPF is revised. All other Statement of Work Chapters remain unchanged.
 - b. Appendix B, Performance Evaluation Plans, B-2 Performance Evaluation Plan for UPF Project Management is hereby replaced in its entirety with the NNSA Capital Line-Item Project UPF Master Award Fee Plan/Annex/Stretch Goals. Fiscal Year 2026 Award Fee Plan/Annex is also hereby added to Appendix B-2.
 - c. Appendix G, UPF Project Management Plan is updated to align with the UPF Project Senior Management Change Control Process.
 - d. Appendix V is hereby established as the Amended Agreement to the Modification 0269 Settlement Agreement. It is incorporated into the contract with an amendment to the UPF Settlement portion to align with this modification.

SECTION J

APPENDIX A

STATEMENT OF WORK

[MODs 0015, 0018, 0075, 0104, 0154, 0170, 0185, 0191, 0201, 0276, 0373]

**SECTION J
APPENDIX A
STATEMENT OF WORK**

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CHAPTER I. Objectives, Scope, and Requirements

1.0 OBJECTIVE

The objective of this Contract is to obtain nuclear production services to support National Nuclear Security Administration (NNSA) and broader national security requirements. This objective includes obtaining services to meet the production requirements derived from the nuclear weapons stockpile plan updated and released by the President of the United States annually. The Contractor shall be fully responsible for high-hazard enriched uranium, special nuclear material (SNM), high-explosive and nuclear weapon assembly/disassembly functions to support NNSA Stockpile Stewardship and Management Program activities directed by the Office of Defense Programs (DP). The Contractor shall function as the single integrating contractor for scheduling parts and performing material logistics within the Nuclear Security Enterprise (NSE). The Contractor shall provide a single management structure and interface to the Government for integrating production across the NSE.

NNSA tritium supply management functions are also included in Contractor responsibilities if this option is exercised. Furthermore, the Contractor shall directly support the NNSA Offices of Naval Reactors and Nuclear Non-Proliferation in addition to other Department of Energy (DOE) offices. Beyond DOE/NNSA, the Contractor shall provide unique services to ongoing missions for other Government agencies or privately owned organizations on a non-interference basis with the DOE/NNSA workload.

This statement of work includes two Contract Line Item Numbers (CLINs). CLIN 0001 covers the management and operation of Pantex and Y-12 for the initial five-year base with sub-CLINs for three option periods, transition of SRTO, and inclusion of SRTO, respectively. CLIN 0002 covers the Uranium Processing Facility (UPF) at Y-12.

In addition to achieving Presidential goals outlined in the April 2010 Nuclear Posture Review, this Contract will fully support the DOE and NNSA Strategic Plans and will strengthen NNSA's vision for a fully integrated and interdependent Nuclear Security Enterprise (NSE), consisting of all eight NNSA sites, by achieving the following four specific objectives:

- (i) Improving performance in the completion of national security missions for nuclear production operations;
- (ii) Transitioning and merging operations at geographically-dispersed centers of excellence for: nuclear weapon assembly/disassembly; enriched uranium; SNM; high-explosive production; and, tritium supply management under a single Contract;
- (iii) Reducing the cost of performing work; and
- (iv) Requiring actions that support operation as an integrated DOE/NNSA enterprise.

This Contract does not affect the physical location of nuclear production center of excellence designations at the respective sites.

2.0 BACKGROUND

2.1 The NNSA Mission

The NNSA, established by Congress per the NNSA Act (Title XXXII of the National Defense Authorization Act for Fiscal Year 2000, Public Law 106-65) as a semiautonomous element within DOE, is responsible for the management and security of the nation's nuclear weapons, non-proliferation, and naval propulsion programs. It also responds to nuclear and radiological emergencies in the United States and abroad, and NNSA federal agents provide safe and secure transportation of nuclear weapons, components and special nuclear materials.

2.2 The NNSA Organization

NNSA relies on Management and Operating (M&O) Contractors to manage day-to-day site operations and to adhere to its policies when operating its laboratories, production plants, and other facilities in the NSE. Together, the M&O Contractors implement NNSA's all-encompassing Stockpile Stewardship Program managed by Defense Programs that includes operations associated with surveillance, assessment, maintenance, refurbishment, manufacture and dismantlement of the nuclear weapons stockpile as well as research, development and certification efforts.

2.3 Becoming an Enterprise

Overall, the NNSA needs to carry out its mission within research, development, and manufacturing organizations that are safe, secure, integrated, efficient, and cost effective. Work must be aligned with requirements received from key customers in a manner that strives to retain the intellectual excellence and key infrastructure capabilities demanded by national interests.

Throughout the 1990s, the DOE/NNSA took steps to consolidate to its current configuration of three national laboratories, four production plants, and a nuclear test site. In an evaluation of the NSE completed in October 2008, NNSA published a Supplemental Programmatic Environmental Impact Statement (SPEIS) that analyzed alternatives for transforming the complex into a smaller more efficient enterprise that responds to changing national security challenges and ensures the long-term safety, security, and reliability of the nuclear weapons stockpile. Two Records of Decision (RODs) informed by this SPEIS were published in December 2008.

While the RODs look at transforming the physical infrastructure, other initiatives have been undertaken to improve management and business practices. Two councils have been formed: one among the Contractor senior management and another among the federal site managers. The main function of these councils is to improve the integration and communication within the enterprise. Also, governance reform is an NNSA management initiative that focuses on developing a partnering relationship between the federal team and the supporting M&O Contractors.

2.4 Location of Performance

The three sites under this Contract are:

- 2.4.1 Y-12 National Security Complex (Y-12): Y-12 is a Government-owned site located in Oak Ridge, Tennessee, on approximately 800 acres within the 34,000 acre Oak Ridge Reservation. The NNSA facilities at Y-12 consist of over 350 buildings with approximately 5,800,000 gross square feet (gsf). Another 1,730,000 gsf are facilities that are the responsibility of the Office of Science, Office of Nuclear Energy, or the Office of Environmental Management.
- 2.4.2 Pantex Plant (PX): PX is a Government-owned site located near Amarillo, Texas, on approximately 10,500 acres at Pantex Plant proper and 1,100 acres of detached property called Pantex Lake, approximately 2.5 miles northeast of the main plant site. In addition, PX leases 5,800 acres south of the plant as a security buffer and owns approximately 1,526 acres of land east of FM2373 that provides an additional security buffer and is being used primarily for agriculture and location of the Pantex Wind Farm. The total acreage under Federal control is approximately 17,400 acres. The facilities on the site consist of 638 buildings comprising approximately 3,110,000 gsf.
- 2.4.3 Savannah River Tritium Operations (SRTO): SRTO is within the Savannah River Site (SRS), which is a Government-owned Environmental Management site located in south-central South Carolina and occupies approximately 198,420 acres in Aiken, Barnwell, and Allendale Counties. SRS is approximately 15 miles southeast of Augusta, Georgia, and 12 miles south of Aiken, South Carolina. The NNSA SRTO consists of approximately twenty-nine acres centrally located within the site. The SRTO facility is comprised of 32 buildings consisting of approximately 377,809 gsf.

3.0 SCOPE

This Contract is comprehensive with an objective to perform all necessary operational, coordination, and management functions at Y-12, PX, and SRTO (should this option be exercised) required to support NNSA and broader national security missions assigned to these sites. This includes but is not limited to all ongoing missions and functions, as well as those that may be assigned during the term of the Contract. It further includes all infrastructure management and maintenance; information technology; human resource management including critical skills recruitment and retention; environmental management; health, safety and security systems; and purchasing and other administrative systems.

In the execution of this Contract, and particularly program integration, the Contractor shall meet rigorous quality and reliability standards essential for the U.S. nuclear deterrent; maintain sufficient production capacity and produce at rates defined in planning documents; and implement flexible production management and execution processes to accommodate a dynamic national security environment. The Contractor shall balance risk management and cost reduction initiatives to provide increased value to the Government. This applies both internally to this Contract and to improving the overall cost efficiency of the NSE.

The Contractor shall be fully responsible and accountable for the safe and secure accomplishment of all work, whether performed by its own personnel or team members, including subcontractors. The Contractor shall be responsible for planning and coordinating production schedules; integrating, managing and executing the programs; supporting and executing large and small projects; and completing operations and other activities as described in this Statement of Work.

3.1 Mission

The Contractor shall safely and securely complete all mission responsibilities and improve performance in the completion of national security missions for nuclear production operations and all other national security missions, as applicable. NNSA has a Work Breakdown Structure (WBS) that is discussed further in Section J, Appendix F, Work Breakdown Structure. At a minimum, the Contractor shall:

- (i) Sustain the necessary workforce and exercise essential capabilities for: nuclear weapon assembly/disassembly, enriched uranium and lithium, SNM, high-explosive production, and tritium supply management centers of excellence;
- (ii) Maintain authorization basis for high-hazard operations;
- (iii) Operate high-hazard chemical processing facilities and systems within approved authorization basis;
- (iv) Assure the availability of core capabilities, regardless of stockpile size;
- (v) Implement and oversee the nuclear explosive and weapons surety program to include nuclear weapon/nuclear explosive safety, security and use control;
- (vi) Sustain and modernize the infrastructure;
- (vii) Interface with and support other contractors performing work at any of the sites;
- (viii) Balance available resources to meet mission requirements and infrastructure sustainment while maintaining safe, secure, environmentally compliant and responsive operations; and
- (ix) Effectively partner with other Contractors within the NSE to manage the master schedule for all production activities and be responsible for the execution of uranium, SNM, high explosives, nuclear weapons assembly/disassembly, dismantlement, and surveillance functions in support of the Stockpile Stewardship Program. In performing this responsibility, issues between the NSE contractors will be brought to Defense Programs management for resolution.

3.2 Merging of Operations

The Contractor shall merge operations, in accordance with Section J, Appendix D, Merger Transformation Plan, at geographically-dispersed centers of excellence for: nuclear weapon assembly/disassembly; enriched uranium; SNM; high-explosive production; and, tritium supply management (if exercised by option) under a single Contract. At a minimum, the Merger Transformation Plan shall describe how the Contractor will:

- (i) Manage merger of operations without negatively impacting mission;
- (ii) Ensure critical skills necessary to maintain capabilities;
- (iii) Identify and streamline redundant technical and business operations across the sites under this Contract;
- (iv) Incorporate governance (Section J, Appendix A, Chapter I, 4.4); and
- (v) Maintain relationships and regulatory interfaces, and assume responsibility for permits with local, State and Federal entities, other DOE offices, and stakeholders.

3.3 Scope and Financial Management

The Contractor shall support the DOE/NNSA Planning, Programming, Budgeting and Evaluation (PPBE) process. In supporting PPBE, the Contractor shall provide financial data for Government systems, such as:

- Standard Accounting and Reporting System (STARS)
 - STARS information is provided under the Institutional Cost Reporting Categories
- iMANAGE
- Enterprise Portfolio Analysis Tool (EPAT)
 - The EPAT information shall be collected in accordance with the Work Breakdown Structure (WBS) (see Section J, Appendix F)
- Facilities Information Management System (FIMS)

The Contractor shall maintain financial cost reporting systems to provide detailed cost reports for cost, scope, and schedule for direct and indirect costs for all work performed under this Contract. The cost reports shall include labor costs, leave/hours not worked, staff augmentation, fringe, pension, legacy, materials, services-subcontractors, direct service centers, other expenses, capital, labor category, and full-time equivalent (FTE) resource usage for all direct and indirect costs and utilize cost benefit analyses to determine the appropriate level of support functions and risks. The Contractor shall provide NNSA transparency into those financial cost reporting systems and shall provide routine reports to allow NNSA visibility into program and cost management supporting reports to external sources (see Section J, Appendix O). The Contractor's financial cost reporting systems shall support the DOE STARS, iMANAGE, EPAT and support systems, such as FIMS, as well as other Government systems as they are developed and implemented.

The NNSA will provide the initial cost information, FTE data and scope framework on the effective date of the Contract. The Contractor shall develop a baseline for all Contractor direct programs and indirect support costs in accordance with DOE institutional cost reporting categories as found in Section J, Appendix M, Institutional Cost Reporting, and utilize the WBS reporting structure for further program granularity, as applicable and as it continues to develop within NNSA. The baseline shall include cost, scope of work, and schedule with a change control process. Baselines will be utilized for implementing the cost reduction features under this Contract. The baseline will be reviewed and approved annually by the Contracting Officer.

The Contractor shall have in place tools to: 1) manage mission and indirect changes in scope, cost, and schedule; 2) compare actual costs of work performed (ACWP) to budgeted costs of work performed (BCWP); 3) accurately forecast estimated costs to complete (ETC) and estimated total costs at completion (EAC); and 4) document deviations from the baselines described above in this paragraph and, on a timely basis, notify the Contracting Officer of such changes. The Contractor shall not make retroactive changes to records pertaining to work performed that will change previously-reported costs, except for correction of errors and routine accounting adjustments and not make retroactive changes for funding fluctuations or revisions in EAC.

3.4 Enterprise Success

The Contractor shall participate with NNSA and other NNSA M&O Contractors as part of an "enterprise organization" to evaluate, plan, develop and implement strategic initiative activities that optimize mission and business operations across the NSE. The goal of these initiatives is to increase the efficiency and cost effectiveness from a business and mission perspective, to include:

- Reduced operational costs enterprise-wide,
- More consistent work practices and operational processes,
- Better pricing, better products, more timely delivery,
- Reduced administrative costs and lead times for both the Contractor and the DOE/NNSA,
- Greater standardization and interchangeability across the NSE; and
- Increased awards to small business entities.

NNSA expects these and other initiatives to result in a shift to an enterprise focus, based on the Contractor who possesses the most expertise and experience level within the NSE.

The Contractor shall cooperate with NNSA and NSE Contractors in identifying potential cross-NSE benefits to be derived from implementing common practices and goals across the NSE in the areas of mission workload and enterprise functional support.

The Contractor and NNSA shall establish performance incentives with performance measures and targets for strategic efforts that result in enterprise performance improvement overall for the Government.

4.0 ADMINISTRATIVE AND TECHNICAL REQUIREMENTS

4.1 Integrated Safety Management (ISM), Integrated Safeguards and Security Management (ISSM), Environmental Management System (EMS), and Quality Assurance Systems (QAS)

The Contractor shall ensure that ISM, ISSM, EMS, and QAS are integrated into its operations and that its Contractor Assurance System (CAS) reflects Contractor integrated performance related to these systems.

4.2 Work Authorization (WA) System

Specific work requirements under this Contract will be established annually and updated as needed by the Contracting Officer in accordance with the applicable DOE Order and the Contract's Section I Clause entitled "DEAR 970.5211-1, Work Authorization."

4.3 Information Technology (IT)

The NNSA seeks to optimize the efficiency of the NSE through the NNSA Network Vision (2NV) that seeks to consolidate IT infrastructure/services and eliminate redundant systems, to increase efficiency through mobility and cloud computing, and to improve business processes to better integrate across sites. To accomplish these goals, the Contractor must evaluate feasibility of removing redundant systems by completing a careful examination of existing systems and architecture across the sites to develop a single, integrated "to-be" vision that utilizes the best available technologies and management practices from both Government and commercial sources to improve and achieve performance excellence, including fiscal efficiency. With respect to production, these efforts shall include, but are not limited to, the implementation of multi-site, integrated manufacturing based information systems that support weapons production, special nuclear material (SNM) accountability, production scheduling and flow, surveillance, weapon retirement, process knowledge archiving, and preservation of production and certification records. Desktop and back-office computing capabilities should be compatible with those used by NNSA entities. Back-office functions shall include, but not be limited to, payroll, finance, project management, human resources, etc.

The Contractor shall deliver, within 180 days of the Base Term, a draft "to-be" architecture and information technology transition plan that integrates production and business systems at Pantex and Y-12, and further considers integration of SRTTO as directed by the Government in a manner that is consistent with the overall enterprise and yields the best value to the Government. This plan shall present a cost and schedule baseline against which performance can be measured. Specifically, the plan must address network consolidation to generate cost efficiencies, mobility to replace manual processes and facilitate a mobile work environment, data center consolidation to generate energy savings, and cloud computing to improve business agility. In addition, the plan must consider (where feasible) replacement of legacy applications with Commercial Off the Shelf (COTS) systems, elimination of redundant IT systems, and collection of data in accordance with DOE or industry standards to improve NSE interoperability.

If the Contractor plans to offer an IT deliverable that is not Internet Protocol version 6 (IPv6) and Homeland Security Presidential Directive (HSPD)-12 compatible, the Contractor agrees to (1) obtain the Contracting Officer's approval before starting work on the deliverable; and (2) provide a migration path and firm commitment to upgrade to IPv6 and HSPD-12 compatibility for all application and product features.

The Contractor, prior to using any Contractor-owned software and systems where reimbursement is expected, shall request approval by the Contracting Officer. The Contractor agrees to and does hereby grant to the Government an irrevocable, nonexclusive, paid-up license by or for the Government, in any Contractor-owned software and systems brought in and used. Said license shall be limited to the continued nuclear production work by successor Contractors.

4.4 Governance

Governance is the system of management and controls exercised in the stewardship of the organization. The governance system shall be consistent with NNSA governance documents (DOE Order 226.1B included in Section J, Appendix N, List of Applicable Directives).

Contractors must self govern and deliver mission results in a safe and secure manner. The Contractor shall implement governance through a collaborative partnership with NNSA to form the self-governance framework by which the mission is accomplished in an effective and efficient manner. The governance framework invokes trust and confidence between parties, defines expectations and authorities and verifies performance by utilizing objectives, requirements, assessments, metrics and rewards. The Contractor will focus on NNSA transformation activities that maximize the ability to complete the mission in a way that ensures effective and efficient stewardship of the taxpayers' money. The Contractor shall streamline operations and reduce costs to maximize mission accomplishment through a common understanding of expectations and performance accountability, supported by a strong Contractor Assurance System (CAS). The Contractor shall have a CAS as a subordinate and supporting feature of Governance as described in 4.4.1 below.

- 4.4.1 Contractor Assurance System:** The Contractor shall have a Contractor designed and utilized system to manage performance consistent with Contract requirements. The CAS shall be a primary tool used by Contractor management to measure and improve performance, ensure that mission objectives and Contract requirements are met; ensure that workers, the public and the environment are protected; and ensure that operations, facilities, and business systems are efficiently and effectively operated and maintained. An effective CAS integrates Contractor management, supports corporate parent governance and facilitates Government oversight systems as described in DOE Order 226.1B. NNSA oversight shall not be relied upon by the Contractor as the primary feedback in assessing its performance. The Contractor is fully accountable for performing its own assessment of these areas.

4.4.2 Standards and Directives Reform: The Contractor shall submit a plan within 180 days after start of Base Term that identifies standards (e.g., ISO 9001, 14001, 18001, or other international or industry standards) to be utilized to replace other DOE requirements and provide the ability for the Contractor to operate with industry best practices. The plan shall describe how quickly the Contractor will achieve ISO certifications or other recommended standards but commit to completion no later than by the end of the second year of the Base Term. In addition, the Contractor, as part of its governance, shall continuously evaluate and examine DOE directives, orders, and requirements to propose needed exemptions or modifications to allow the Contractor to operate in the most effective and efficient manner and to assist in delivering cost savings to the Government.

4.4.3 Parent Organization(s): The Contractor, through its Parent Organizations, shall develop, at a date agreed upon by the Contracting Officer and the Contractor, a multi-year strategy and oversight plan that details (1) its planned efforts and expected accomplishments by year, to continuously improve its management and performance, and (2) the planned efforts and contributions of its Parent Organizations. The Contractor shall also provide an Oversight Plan from its Governing Board (if applicable), which shall be submitted prior to each fiscal year for Contracting Officer approval. The Plan shall identify the Board's annual activities to: (1) monitor the Contractor's performance of Statement of Work activities including CAS performance and (2) to assist the Contractor in meeting NNSA's mission and operational requirements. Elements of the plan may be incorporated into the Contractor's Performance Evaluation Plan. The utilization of Parent Organization experts via the Board's activities, which are defined herein as employees of Parent Organization(s), is encouraged for the purpose of achieving improvement in management and performance to resolve deficiencies identified through the Board's oversight or unusual issues encountered in site operations. The Board shall conduct periodic briefings throughout the annual rating period to NNSA management relating their oversight activities against the Plan and effects on production plant performance.

The Contractor is encouraged to identify opportunities for the use of parent corporate systems and corporate home and branch office personnel for site operations for the purposes of monitoring plant performance, assisting the plant in meeting its mission and operational requirements, streamlining the Contractor's administrative and business systems, improving performance, and adapting private sector expertise to plant issues.

The term "systems" means any discrete process, procedure, program, document or instrument where cost of use under this Contract can be identified and quantified to the parent corporation.

The Contractor, prior to using any parent corporate systems or home and branch office personnel where reimbursement is expected, shall submit a plan for review and approval by the Contracting Officer. In reviewing the plan, the Contracting Officer will consider the extent to which each separate element of

the plan is more efficient and represents an overall cost savings to the Government versus existing site systems, assists the parent corporation or the Contractor in monitoring plant performance and in meeting mission and operational requirements or brings value-added expertise to plant issues. The Contractor agrees to and does hereby grant to the Government an irrevocable, nonexclusive, paid-up license by or for the Government, in any Contractor-owned software and systems brought in and used. Said license shall be limited to the continued nuclear production work by successor Contractors.

4.4.4 Performance Evaluation Plan: The Contractor shall participate in the formulation of Performance Evaluation Plans (PEP) that covers a defined period of time. The PEP shall include performance objectives, goals and measures.

4.4.5 Performance Metrics: The Contractor shall propose a list of performance metrics that provide Contractor and NNSA management an overall assessment of the "health of the operation" quickly and accurately. Once established, the metrics shall be part of the CAS and be provided with transparency to aid in the identification and understanding of significant performance issues.

4.5 Contractor Human Resources

The Contractor shall have the flexibility to restructure the workforce and make changes to employee benefits throughout the term of the Contract, as may be permitted by this Contract and applicable law, to maximize efficiencies. The Contractor shall be responsible for identification and maintenance of critical skills and for the employment of all professional, technical, skilled, and other personnel engaged and to be engaged by the Contractor in the work hereunder, and for the training of personnel, including apprentice programs. Persons employed by the Contractor or its subcontractors or consultants shall not be deemed employees of the Government. The Contractor shall follow the Human Resources (HR) requirements pertaining to workforce transition and management in accordance with Section J, Appendix A, Chapter III, Human Resources.

4.6 Environmental Permits and Applications

In recognition of the Contractor's responsibility to operate in compliance with all applicable environmental requirements, the Contractor is responsible for signing environmental permits and applications as "operator or co-operator" at the sites.

- (i) If bonds, insurance, or administrative fees are required as a condition for such permits, such costs shall be allowable. In the event that such costs are determined by NNSA to be excessive or unreasonable, NNSA shall provide the regulatory agency with an acceptable form of financial responsibility.
- (ii) The Contractor shall accept, in its own name, service of notices of violations 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 clauses of this Contract. The Contractor shall notify the Contracting Officer promptly when it receives service from the regulators of NOVs/NOAVs and fines and penalties. Nothing stated above shall affect the

Contractor's right to challenge or contest the applicability or validity of such NOV/NOAVs and fines and penalties.

- (iii) In the event of termination or expiration of this Contract, NNSA will require the new Contractor to accept transfer of all environmental permits executed by the Contractor.
- (iv) For SRTO, if this option is exercised, the Contractor shall be responsible for becoming a party to all regulatory compliance agreements, and licenses and permits issued by any federal, state or local regulatory agency associated with the Statement of Work under this Contract, including those previously executed.
- (v) When providing NNSA with documents that are to be signed or co-signed by NNSA, the Contractor will accompany such document with a certification statement, signed by the appropriate Contractor corporate officer, attesting to NNSA that the document has been prepared in accordance with all applicable requirements and the information is, to the best of its knowledge and belief, true, accurate, and complete.

4.7 Defense Nuclear Facilities Safety Board and Other Government Agencies Support and Liaison

The Contractor shall support NNSA in interfacing with various Government agencies such as the Defense Nuclear Facilities Safety Board (DNFSB), Department of Defense and state regulatory agencies.

The Contractor shall conduct activities in accordance with the applicable DOE directive and guidance on interface with the DNFSB. The Contractor shall be accountable for ensuring that subcontractors at any tier adhere to these requirements.

4.8 Interfaces with Other Site Users

Within the three sites, there are multiple Contractors responsible for a variety of broad-based programs. Within 90 calendar days after the start of transition for the Base Term and if the option for SRTO is exercised, within 60 calendar days after the start of transition, the Contractor shall submit, for NNSA approval, an Interface Management Plan (IMP) for the affected sites to identify and manage site interfaces/services between DOE, NNSA, DOE/NNSA Contractors, and tenant entities engaged in onsite activities. The IMP should identify any costs related to other site users. The IMP shall also address security in accordance with Section J, Appendix A, Chapter II, 1.2.5, Defense Nuclear Security. The Contractor IMP(s) will become part of the Contract as Section J, Appendix H, Interface Management Plan. For the sites, services that require interface agreements shall be provided in accordance with existing or newly developed memoranda of understanding or other appropriate agreements. The Contractor will provide input to the Nuclear Production Site Office regarding effective support toward common site security and operational objectives. The Government will not consider such input if one contractor has any potential Organizational Conflict of Interest with the other contractor.

4.9 Privacy Act System of Records

The Contractor shall design, develop, and maintain a system of records on individuals to accomplish an agency function in accordance with the Contract's Section I Clause entitled "FAR 52.224-2, Privacy Act." The applicable systems of records are available on the Federal Register. A list of applicable records will be finalized after contract award.

4.10 Cost Reduction

The Contractor shall submit a Cost Reduction Proposal (CRP) in accordance with the Contract's Section I Clause entitled "DEAR 970.5215-4, Cost Reduction".

CHAPTER II. Work Scope Structure

1.0 PROGRAMS

The Contactor shall support the following program activities:

1.1 Defense Programs

1.1.1 Directed Stockpile Work (DSW): The DSW program is responsible for maintaining and enhancing the safety, security, and reliability of the U.S. nuclear weapons stockpile without using underground testing. To meet this goal, DSW provides nuclear warheads and bombs to the Department of Defense (DoD) in accordance with the President's Nuclear Weapons Stockpile Plan. The Plan directs the number and type of weapons that the United States needs to maintain to ensure a credible deterrent. DSW includes weapons and production support programs. These programs are performed to achieve stockpile evaluation, stockpile maintenance, and nuclear weapons assembly and disassembly objectives in accordance with DOE/NNSA requirements plan.

Within DSW, the types of activities include, but are not limited to, the assembly and disassembly of nuclear weapons and individual components in support of Life Extension Programs, the Stockpile Evaluation Program, and dismantlement goals and objectives. In addition, it includes the disposition of weapon components, maintaining a weapons quality control program, providing production information systems, and providing laboratory analytical services. Also, each site performs research, development, testing and engineering work for the current and future production missions in support of the weapon laboratories. At Pantex, the high hazard fabrication of high explosive materials, interim storage of SNM and components, and nuclear weapons assembly/disassembly are key deliverables; Y-12 provides the Canned Subassemblies and Savannah River provides tritium supply management services and loaded reservoirs for the weapons. All operations shall meet DOE/NNSA requirements for nuclear facility safety, criticality safety, and nuclear explosive safety. Projected work scope for the NSE within this program includes, but is not limited to:

- (i) W76 and B61 Life Extension Program (LEP) deliverables;
- (ii) All other LEP deliverables;
- (iii) 800-1200 weapon systems equivalent unit operations per year for assembly/disassembly for: (1) surveillance, LEP and dismantlement; (2) Joint Test Assemblies (JTA); and (3) Limited Life Components (LLCs). These operations are on the B53, B61, W62, W69, W70, W71, W76, W78, W80, B83, W84, and W88 systems; (The W87 LEP (Assembly/Disassembly) is the standard equivalent unit and is equal to 1.0 equivalent unit. All other weapons program deliverables are defined as either 0.xx or 1.yy equivalent units based on the number of hours of production time and whether it is greater or less than that standard.)

- (iv) Meet annual Defense Program deliverables at Y-12 inclusive of assemblies, subassemblies, piece parts, phases of a dismantlement or surveillance, container refurbishments, and shipments from Area 5;
- (v) If SRTO option is included in Contract, 1100-2100 reservoir equivalents per year for loading, 100-170 reservoir equivalents per year for unloading, and 240-350 per year reservoir equivalents for Gas Transfer System Surveillance;
- (vi) Maintain and exercise production process capabilities such as casting, rolling, forming, and machining;
- (vii) Support of multi-program initiatives including Product Realization Integrated Digital Enterprise and Requirements Modernization and Integration;
- (viii) Storage and disposition of excess legacy components from weapons activities;
- (ix) Support expense projects, such as the Manufacturing Operations Management at Y-12 (CD-4) and the Operations System Design and Integration at Pantex (CD-4).

1.1.2 Campaigns: Campaigns are focused efforts to address critical capabilities needed to achieve key future program objectives. Campaigns are technically challenging, multi-function efforts that have definitive milestones and specific work plans. For this Contract these campaigns include, but are not limited to, the Engineering and Readiness Campaigns. Projected work scope within this program includes, but is not limited to:

- (i) Support advanced technology projects in support of the NSE such as lithium technologies, microwave deployment, wet chemistry replacement, lithium oxide replacement, high explosives development;
- (ii) If SRTO option is included in Contract, maintain operational capabilities to perform one or more tritium extractions per year for Tennessee Valley Authority supplied target rods; and
- (iii) Support transition of designated Campaign activities to DSW.

1.1.3 Readiness in Technical Base and Facilities (RTBF): RTBF provides the physical and operational infrastructure required to conduct the scientific, technical, and manufacturing activities of the Stockpile Stewardship Program. The RTBF mission is to ensure that the sites comprising the NSE are implementing the technologies and methods necessary to make construction, operation, energy efficiency and maintenance of production facilities safe, secure, reliable and cost effective and that the right facilities and infrastructure are in place to manufacture and certify the 21st century nuclear weapons stockpile.

The key areas within RTBF include, but are not limited to, construction, construction support and contractor integration, management of containers (onsite and offsite), operations of facilities, management and storage of materials (plutonium, highly-enriched uranium (HEU), Tritium, SNM and other materials), Material Recycle and Recovery, and Program Readiness. Projected work scope within this program includes, but is not limited to:

- (i) Maintain annual mission critical facility availability;
- (ii) Maintain mission critical facilities and mission dependent, not critical facilities;
- (iii) Project Management
 - A. The Contractor shall perform design and construction activities for all projects under \$20M (Expense and General Plant Projects). New projects over \$20M, including Expense and Line Item, may be included if determined by the NNSA to be in the Government's best interest.
 - B. The Contractor shall perform initial project development (for all projects regardless of dollar value), project management, design, and construction management activities in accordance with required DOE Orders.
 - C. The Contractor shall recognize existing Construction Labor Agreements and shall require subcontractors engaged in construction on the construction project to recognize the Construction Labor Agreement.
 - D. The Contractor shall maintain project baselines, develop Documented Safety Analysis, define quality requirements, ensure National Environmental Policy Act compliance, provide quarterly reports to the NNSA for assigned projects, support external reviews, and meet other requirements as directed by the Contracting Officer.
 - E. Line Item Projects covered by this Contract include, but are not limited to:
 - Uranium Processing Facility (UPF), see Chapter IV of this SOW
 - CLIN 0001: Contractor retains Design Authority
 - CLIN 0002: Contractor acts as Design Agent
 - High Explosive Pressing Facility (HEPF) (CD-4 thru 2016)
 - Contractor provides design support for the US Army Corps of Engineers
 - Contractor supports construction and completes start-up and commissioning

- Nuclear Facility Risk Reduction Project (Critical Decision (CD) 3B in 2012 and CD-4 in 2016)
 - Contractor completes design
 - Contractor completes construction, start-up, and commissioning
- Security Improvement Project (CD-4 in 2014)
 - Contractor completes construction, start-up, and commissioning

(iv) Manage and disposition waste generated at the sites;

(v) Operate enriched uranium recycle and recovery systems at Y-12 to include chemical processing, metal working, purification, accountability, storage, disposition, breaking, casting, high precision machining, oxide conversion, metal production, and canning;

(vi) Operate lithium recycle and recovery systems at Y-12;

(vii) Reduce the backlog of Highly Enriched Uranium (HEU) material at Y-12 in order to fully execute Material Disposition Plan and manage newly generated low-equity material by processing to a form suitable for long-term storage or discard of material which is below the Economic Discharge Limit;

(viii) Safe and secure storage, management, and disposition of nuclear and non- nuclear materials (weapon assemblies, pit staging, war reserve storage, enriched uranium, Li6, heavy water, plutonium, and satisfy NNSA and other DOE customer material requirements (also, if SRTO option is included in the Contract, tritium and He3);

(ix) Support DOE enterprise-wide nuclear materials management and storage initiatives including, supporting the development and update of material management plans, supporting the DOE Nuclear Materials Management Team, and performing special studies related to uranium, lithium, heavy water as requested;

(x) Deliver containers according to Shipment Schedules in support of DSW and other missions; and

(xi) Support footprint reduction efforts at the sites.

(xii) Operate the Wind Energy System (Pantex Wind Farm) as part of the Pantex Renewable Energy Project (PREP).

1.1.4 Secure Transportation: This is the mechanism for the movement of weapons and materials between sites. Key facilities are located in Amarillo, Texas and Oak Ridge, Tennessee. Support under this Contract shall include maintenance of facilities, vehicle maintenance and support, and other activities.

1.2 Other NNSA Work

1.2.1 Infrastructure and Environment: These programs include Site Stewardship, Long-term Environmental Stewardship, NNSA recapitalization programs, Nuclear Materials Management Team, and energysavings initiatives required by the DOE. Projected work scope for the NSE within this program includes, but is not limited to:

- (i) Overseeing roofing projects under Enterprise-wide Roofing Asset Management Program;
- (ii) Completing recapitalization and deferred maintenance projects; and
- (iii) Completing High Pressure Fire Loop at Pantex (CD-4).

1.2.2 Nuclear Counterterrorism Incident Response and Other Nuclear Emergency Response Programs: The Nuclear Counterterrorism Incident Response (NCTIR) program ensures that capabilities are in place to respond to any DOE/NNSA facility emergency, nuclear, or radiological incident within the United States or abroad, and to provide operational planning and training to counter both domestic and international nuclear terrorism and assure that DOE can carry out its mission-essential functions. This includes DOE's radiological assistance program, NNSA's worldwide weapons accident response management, and other investigations or advisory groups.

1.2.3 Nuclear Non-Proliferation: Defense Nuclear Nonproliferation programs work closely with a wide range of international partners, key U.S. federal agencies, the U.S. national laboratories, and the private sector to detect, secure, and dispose of dangerous nuclear and radiological material, and related weapons of mass destruction technology and expertise. Projected work scope for the NSE within this program includes, but is not limited to:

- (i) Integrate, plan and execute disposition projects for DOE complex-wide inventories of surplus and excess nuclear material;
- (ii) Complete 100% of scheduled deliveries of excess enriched uranium to customers;
- (iii) Provide effective and rapid response to emergent non-proliferation and international security requirements;
- (iv) Partner with DOE/NNSA laboratories to leverage resources and expertise in support of nuclear non-proliferation goals and objectives;
- (v) Support of global nonproliferation activities; and
- (vi) Meet 100% of scheduled deliveries for the supply of nuclear materials to foreign and domestic research and isotope production reactors and other Y-12 customers.

1.2.4 Naval Propulsion: Naval Reactors programs require production and delivery of feedstock supporting their nuclear fuel program. Projected work scope for the NSE within this program includes, but is not limited to:

- (i) Complete 100% of scheduled deliveries of feedstock to NA-30; and
- (ii) Complete annual evaluation, maintain, and submit 20-year plan for NA-30 feedstock requirements.

1.2.5 Defense Nuclear Security (DNS): The DNS program protects NNSA interests from theft, diversion, sabotage, espionage, unauthorized access, compromise, and other hostile acts which may cause unacceptable adverse impacts on national security, program continuity, security of employees, and the public. As required by the security assets at each site, the Contractor shall provide a highly trained, competent, qualified, and certified Protective Force (PF) to protect nuclear explosives, SNM, classified matter, and other NNSA property. The actual PF staffing is determined by the posts and patrols and their required hours of operation. The Contractor is expected to provide staffing to meet requirements in a cost-effective manner. These responsibilities include planning, integration, management, and execution of all program elements **excluding** drug and alcohol testing for all site personnel.

PF operations are included in the scope of this Contract for Pantex and Y-12 and not SRTO. The Government will furnish PF operations at the SRTO. In accordance with the Contract's Section H, H-9, Limitation on Protective Force Subcontracting, the Contractor shall not subcontract protective force services and responsibilities.

The Contractor shall interface, as directed by the CO, with other contractors that perform safeguards and security work within the Oak Ridge Reservation and the Savannah River Site. In addition, at Pantex and Y-12 the scope entails coordination with local law enforcement agencies as well as management and operation of all shared security support services (e.g., Technical Surveillance Countermeasures and pre-event discovery operations) and facilities (inclusive of the Central Training Facility) in Oak Ridge, as well as implementation of the "Graded Security Protection Policy." The Contractor shall establish a formal training program which ensures appropriate personnel are competently trained, and fully qualified to perform the tasks within their assigned responsibilities under both normal and emergency conditions. This responsibility also includes the DOE standardized security training of DOE-Oak Ridge PF personnel at the Central Training Facility. For other PF contractors within the ORR, the Contractor shall develop and conduct site-specific training curricula through coordination with the affected contractors.

1.2.6 Cyber Security: The NNSA Cyber Security program ensures that sufficient information technology and information management security safeguards are implemented throughout the NSE to adequately protect information assets. The overarching goal is to implement a flexible, comprehensive, full life-cycle, risk-based cyber security program including a cyber security architecture aligned with the NNSA enterprise architecture and plans of the NNSA Office of the Chief Information Officer. The Contractor shall allow full, unfettered access to security

logs and cyber security sensor data to the Joint Cyber Coordination Center (JC3) to provide cyber security situational awareness for the NSE. The Contractor shall implement a cyber security baseline program and provide adequate performance metrics to generate a risk-based budget process for the NSE.

1.3 Strategic Partnership Projects/Other Reimbursable Work

This includes the management and execution of other assigned programs related to national security missions for DOE, other Government agencies, or privately owned organizations on a non-interference basis with NNSA work as approved by the Contracting Officer.

20 FUNCTIONAL SUPPORT

The Contractor shall provide:

21 General Support:

General management and program management functions including executive direction, human resources, financial support services, procurement, legal services, central administrative services, program and project controls, information outreach, information services, and other general support functions.

In addition, provide legacy health and welfare benefits administration regarding former Contractor employees at Portsmouth Gaseous Diffusion Plant, located near Piketon, Ohio and Paducah Gaseous Diffusion Plant, located approximately 15 miles west of Paducah, Kentucky. Provide legacy pension, health and welfare benefits administration regarding former Contractor employees at K-25, located five miles west of Y-12.

22 Mission Support

Mission support functions including environmental, safety and health, facilities management, maintenance, utilities, safeguards and security, logistics support, quality assurance, and laboratory/technical support.

In addition, provide services and support, as directed by NNSA, in the following areas:

- (i) Office of Secure Transportation facilities;
- (ii) DOE Central Scrap Management Office;
- (iii) DOE Business Center for Precious Metals Sales and Recovery;
- (iv) DOE Tri-Laboratory Office; and
- (v) Sandia-operated Weapons Evaluation Test Laboratory (WETL) operations.

23 Site Specific Support

Site specific support includes management and incentive fee administration, state and local taxes, and direction of a DOE-approved Plant-Directed Research, Development and Demonstration (PDRD) Program that supports science-based manufacturing related to the NNSA weapons mission, and encourages advanced research, development, and demonstration work to enhance the science and technology capabilities and core competencies required to fulfill the mission of nuclear production.

CHAPTER III. Human Resources

1.0 DEFINITIONS

Incumbent Employees are the employees in good standing of B&W Technical Services Pantex, LLC and B&W Technical Services Y-12, LLC under Contracts DE-AC04-00AL66620 and DE-AC05-00OR22800, and the Protective Services subcontract DE-AC55-07NA25750 between G4S Government Solutions, Inc., d/b/a WSI-Oak Ridge and B&W Technical Services Y-12, LLC, respectively as of the effective date of the Contract, and Tritium Operations and select employees of the Savannah River Nuclear Solutions, LLC Contract DE-AC09-08SR22470 as of the date of SRTO option exercise.

Non-Incumbent Employees are new hires, i.e., employees other than Incumbent Employees who are hired by the Contractor upon the beginning of the Base Term at Y-12 and PX and new hires other than Incumbent Employees at SRS who perform Tritium Operations work under this Contract.

2.0 WORKFORCE TRANSITION

The following are requirements the Contractor shall carry out during the Transition Term. After the effective date of the Contract, the Contractor may propose alternate due dates for the deliverables described in 2.1, Staffing Plan, 2.2, Pay & Benefits, 2.3, Incumbent Employees Right of First Refusal, and 2.4, Advance Understanding on Human Resources. The Contracting Officer may approve such changes provided the deliverable dates make transition more effective and efficient for both parties.

2.1 Staffing Plan

No later than 30 calendar days after the effective date of the Contract the Contractor shall provide NNSA its plan for achieving the right workforce size and skills mix and an estimate of the number of employees at each site to whom they expect to make employment offers.

2.2 Pay & Benefits

Consistent with the requirements identified in 3.0 COMPENSATION and 4.0 BENEFITS below, the Contractor shall develop and submit for NNSA approval an integrated pay and benefits program to cover non-bargaining unit Incumbent and non-bargaining unit Non-Incumbent Employees at PX & Y12. It is expected that the benefits program will be developed utilizing best practice and market based design concepts to achieve maximum efficiency and lower cost through such features as vendor and benefit plan consolidation. If the SRTO option is exercised, the Contractor shall provide information regarding their plans to incorporate SRTO employees into their integrated pay and benefits program.

- 2.2.1 No later than 45 calendar days after the effective date of the Contract, the Contractor shall submit for NNSA approval all proposed benefit plans. The submission shall include all plan documents that will describe benefits provided to employees at Y12 and PX including existing plans to which the Contractor becomes a sponsor at the beginning of the Base Term as well as newly proposed plans.

The submission shall also include an “Employee Benefits Value Study” comparing the proposed benefit plans for non-bargaining unit Incumbent Employees and non-bargaining unit Non-Incumbent Employees using the NNSA Consolidated Employee Benefit Value Study methodologies and comparator companies, to be provided by the Contracting Officer, described in 4.1.5 below. Contracting Officer’s approval of the Contractor’s benefits program will be contingent on the net benefit value not exceeding the comparator group by more than five percent.

2.2.2 No later than 120 calendar days after the effective date of the Contract, the Contractor shall submit a plan with a timeline for implementing an integrated Compensation system that meets the criteria defined 3.0 COMPENSATION below.

2.3 Incumbent Employees Right of First Refusal

The Contractor shall use the Transition Term to make hiring decisions. The Contractor shall give a right of first refusal of employment for every position identified by the Contractor as necessary for completing the requirements of the contract (other than positions occupied by Key Personnel and managers who directly reported to them) under this Contract to Incumbent Employees as defined in *1.0 Definitions* who meet the qualifications for a particular position. The Contractor shall provide a written offer of employment that identifies the individual’s pay and a summary of the benefits package that will be available to the individual. Incumbent employees offered the same position shall be provided their same base salary/pay rate in existence (provided by the incumbent Contractor) at the time the offer is made. Incumbent employees offered a different position than the position they are performing at the time the offer is made shall be provided pay commensurate with the position. Such offer shall be provided to employees as soon as possible, however, no later than no later than 90 calendar days after the effective date of the Contract.

2.4 Advance Understanding on Human Resources

The Contractor shall submit no later than 120 calendar days after the effective date of the Contract a proposed Human Resources Plan. The Plan shall describe the Contractor’s proposed Human Resources policies, programs and related expenses that will have cost implications under the Contract. The plan should provide information showing that these proposed policies will support at reasonable cost the effective recruitment and retention of a highly skilled, motivated, and experienced workforce. This document will serve as the starting point for negotiation with which NNSA and the Contractor will reach an advance understanding on Contractor Human Resources costs. The advance understanding enables both the Contractor and the NNSA to determine allocability, allowability and reasonableness of costs prior to incurrence, thereby avoiding (to the maximum extent possible) subsequent disallowance and disputes; provide appropriate and reasonable compensation levels to recruit and retain Contractor employees to meet NNSA mission objectives; and assure prudent expenditure of public funds. The language identified in *3.0 Compensation, 4.0 Benefits, 5.0 Labor Relations, and 6.0 Workforce Planning* below will serve as the governing text for development of the advance understanding. The Personnel Appendix will include but is not limited to such topics as compensation, welfare benefits, labor relations, retirement plans, severance schedules, holidays,

vacation, etc., or any other human resource costs the Contractor or NNSA deems necessary. It is understood that any advance understanding will be appended to the Contract as the Personnel Appendix (Section J, Appendix I, Personnel Appendix).

3.0 COMPENSATION

The Contractor shall recruit and retain a highly skilled, motivated, and experienced workforce in a cost effective manner capable of carrying out the technical and other requirements set forth elsewhere in this Statement of Work.

3.1 Total Compensation System

Consistent with the requirement in 2.2, Pay and Benefits, the Contractor shall establish an integrated, market based pay and benefit program. The objective is to provide a level of total compensation which, within available funds, attracts, motivates and retains a highly competent workforce and maintains a competitive position in the applicable labor markets.

The Contractor shall develop, implement and maintain formal policies, practices and procedures to be used in the administration of its compensation system including a compensation system Self-Assessment Plan consistent with FAR 31.205-6 and DEAR 970.3102-05-6; "Compensation for Personal Services" (Total Compensation System). In addition, the Contractor's total compensation system shall include the following components:

- (i) Philosophy and strategy for all pay delivery programs.
- (ii) System for establishing a job worth hierarchy.
- (iii) Method for relating internal job worth hierarchy to external market.
- (iv) System that includes a documented method and process for evaluating individual job performance and that bases individual and/or group compensation decisions on individual performance and Contractor performance as appropriate. In addition, the system must show the link to the annual evaluation of Contractor performance for individual compensation actions as appropriate.
- (v) Method for planning and monitoring the expenditure of funds.
- (vi) System for internal controls and self-assessment.
- (vii) System to ensure that reimbursement of compensation, including stipends, for employees who are on joint appointments with a parent or other organization shall be pro-rated according to the amount of time the employee spent performing work under this Contract.

3.2 Cash Compensation

The Contractor shall submit the following to the Contracting Officer for a determination of cost allowability for reimbursement under the Contract.

3.2.1 Additional Compensation System Self-Assessment Data

Any additional compensation system self-assessment data requested by the Contracting Officer that may be needed to validate and approve the total compensation system.

3.2.2 Proposed Major Compensation Program Design Changes

Any proposed major compensation program design changes prior to implementation.

3.2.3 Annual Compensation Increase Plan (CIP)

- (i) The CIP shall be provided to the Contracting Officer on October 1 annually and shall 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 and supporting analysis 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 plan year.
 - (b) All pay actions granted under the CIP 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, key personnel) for which CIP amounts are intended shall be defined by mutual agreement between the Contractor and the Contracting Officer.
 - (d) The Contracting Officer may unilaterally 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).
 - (e) The Contractor is authorized to make minor shifts (up to 10%) in funds between payroll groups without prior Contracting Officer approval. The Contractor shall notify the Contracting Officer at the time funds are shifted.
 - (8) A discussion of the impact of budget and business constraints on the CIP amount; and
 - (9) Discussion of relevant factors other than market average pay (e.g., turnover and offer-to-acceptance statistics, collective bargaining provisions, geographic considerations, total compensation).
- (ii) Contracting Officer approval is not required for the CIP under the following circumstances: 1) the CIP submission is equal to or less than

the salary increase projection (e.g. World at Work projection); and (2) NNSA does not notify the Contractor of any questions or concerns that may negate cost allowability. NNSA will provide notification within the two weeks following the Contractors' submission (date will be identified in the annual NNSA CIP guidance).

- (iii) Contracting Officer approval is required for the CIP under the following circumstances (1) the CIP percent exceeds the professionally recognized salary budget survey's salary increase projection (e.g. World at Work projection provided in the annual NNSA CIP guidance); (2) the Contractor's position to market warrants less than the survey's salary increase projection such that application of the CIP at the full increase projection, would result in the overall position to be above market; and/or (3) the Contractor's overall position to market is above market.
- (iv) Contracting Officer approval is not required for any salary structure adjustments that do not exceed the professionally recognized salary budget survey's mean structure adjustments projected for the CIP year (e.g., World at Work projection provided in the annual NNSA CIP guidance).

3.2.4 Compensation Actions for All Key Personnel

The compensation actions for all Key Personnel shall be submitted for approval upon replacement. The top contractor official (i.e., Nuclear Production Contract Plant Manager or equivalent) salary actions including merit pay increases shall be submitted annually to the Contracting Officer for approval. The top contractor official's approved reimbursed base salary will serve as the maximum allowable salary reimbursement under the Contract. With these compensation actions, the Contractor shall provide supporting justification related to internal and external equity, individual performance and the Application for Contractor Compensation Approval Form (DOE 3220.5).

3.2.5 Incentive Compensation Plan

For any proposed establishment of an Incentive Compensation Plan (variable pay plan/pay-at-risk), documentation shall be provided to the Contracting Officer no later than 60 days prior to proposed implementation. Such proposal must contain:

- (i) The design of the Incentive Compensation Plan, the funding methodology, and linkage to Contract performance measures;
- (ii) Requirement for approval of Incentive Compensation Plan design changes by the Contracting Officer prior to implementation;
- (iii) Requirement for an annual approval, prior to the performance period, of the total dollar amount of the pool, the eligible positions, and linkage to Contract performance goals;
- (iv) Requirement for policy that provides a specific passover rate, i.e., percent of participants who will not receive an incentive;
- (v) Requirement for an annual summary report on distributions made under an Incentive Compensation Plan; and

(vi) For any Executive Incentive Plans, a requirement for pay at risk.

3.2.6 Assignments Outside of Normal Duty Station

Assignments of employees outside of their normal duty station for which the NNSA/DOE will reimburse all or some of their compensation or other expenses shall be in accordance with NNSA Policy Letter, NAP-31, titled NNSA M&O Off-Site Extended Duty Assignments.

3.2.7 Contractor's Total Compensation System

The Contractor's Total Compensation System (e.g., to be set forth in Section J, Appendix I, Personnel Appendix), shall meet the tests of allowability in FAR 31.205-6 and DEAR 970.3102-05-6, be fully documented, be consistently applied, and be acceptable to the Contracting Officer. Costs incurred in implementing the Total Compensation System shall be approved by the Contracting Officer. Any changes to the Total Compensation System shall be submitted to the Contracting Officer 60 days prior to implementation. Changes that impact current or future costs shall be approved by the Contracting Officer prior to implementation.

3.2.8 Human Resources Plan

As a part of the Human Resources Plan the Contractor shall submit a severance plan. The severance plan must include the notification period, pay-in-lieu policy, and the severance schedule. Supporting documentation must include information regarding standards from nationally recognized sources and or comparator firms (including corporate parents).

Severance Pay is not payable to an employee under this Contract if the employee:

- (i) Voluntarily separates, resigns or retires from employment, except that in the event the Contractor conducts an NNSA approved voluntary separation program;
- (ii) Is offered employment with a successor/replacement Contractor;
- (iii) Is offered employment with a parent or affiliated company; and/or
- (iv) Is discharged for cause.
- (v) Occupies one of the Key Positions identified in Section J, Appendix J.

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.

3.3 Reports and Information: Compensation

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

- (i) 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, no later than 30 days after Compensation Increase Plan expenditures.
- (ii) Other compensation reports as requested by the Contracting Officer.

4.0 BENEFITS

4.1 Assumption of Existing Pension Plan

The Contractor will be required to become a sponsor of the existing pension plans and other Post Retirement Benefit Plans (PRB), as applicable, with responsibility for management and administration of the plans, including maintaining the qualified status of those plans. The Contractor shall carry over the length of service credit and leave balances for Incumbent Employees accrued as of the date of the Base Term.

4.1.1 No presumption of allowability will exist when the Contractor implements a new benefit plan or makes changes to existing benefit plans until the Contracting Officer makes a determination of cost allowability for reimbursement for new or changed benefit plans which will result in additional costs. Justification for new benefit plans and changes to plan design or funding methodology which will increase costs must include cost impact, and the basis of determining cost. The Contractor shall notify the Contracting Officer prior to implementation of benefit plans that are either new or first time for the site, are a significant impact to employees, or which may set a precedent for the DOE/NNSA contractor system.

4.1.2 Cost reimbursement for pension and other benefit programs sponsored by the Contractor for non-bargaining and bargaining unit employees will be based on the "Employee Benefits Value Study" as described in 4.1.5.1 and 4.1.5.2 and an "Employee Benefits Cost Study Comparison" as described in 4.1.5.3 below.

4.1.3 The Contractor shall notify the Contracting Officer prior to terminating any benefit plan during the term of the Contract.

4.1.4 Service Credit for cost reimbursement for employee benefits to include PRB eligibility will be determined in accordance with NNSA Supplemental Directive NA SD O 350.1, M&O Contractor Service Credit Recognition.

4.1.5 Unless otherwise stated, or as directed by the Contracting Officer, the Contractor shall participate in and/or submit the studies required in paragraphs 4.1.5.1, 4.1.5.2, and 4.1.5.3 below. The studies shall be used by the Contractor in calculating the cost or value of benefits under existing benefit plans. In addition, the Contractor shall submit updated values to the Contracting Officer for approval prior to the adoption of any change to a pension or other benefit plan that will increase costs.

4.1.5.1 The NNSA Consolidated Employee Benefits Value Study for non-bargaining unit employees, shall be submitted by July 31st every two years or as directed by the Contracting Officer. An Employee Benefits Value Study (Ben Val) 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 Section J, Appendix A, Page 28

programs offered by comparator companies. The Contractor will utilize the comparator companies previously utilized in the last NNSA Consolidated Benefit Value Study. If any of the comparator companies no longer participate, the Contractor will recommend replacement companies for approval by the Contracting Officer. The Value Study shall include major non-statutory benefits plans offered by the contractor, including qualified defined benefit (DB) plans and defined contribution (DC) retirement and capital accumulation plans, and death, disability, health, and paid time-off welfare benefit programs. Any M&O Contractor defined benefit pension plans and post-retirement benefits plans, closed to new entrants, do not have to be included in the Ben Val measurement.

- 4.1.5.2 An Employee Benefits Value Study for bargaining unit employees shall be completed 6 months prior to the end of the bargaining unit Contract. The Benefits Value Study must include at least 15 comparator companies approved by the Contracting Officer. The Value Study must include major non-statutory benefit plans offered by the Contractor, including qualified DB & DC retirement and capital accumulation plans and death, disability, health, and paid time off welfare benefit programs. Any M&O Contractor defined benefit pension plans and post-retirement benefits plans, closed to new entrants, do not have to be included in the Ben Val measurement..
 - 4.1.5.3 An Employee Benefits Cost Study Comparison for non-bargaining and bargaining unit employees, shall be submitted by July 31st annually. The cost study must utilize a professionally recognized measure approved by the Contracting Officer that analyzes the Contractor's employee benefits cost for employees as a percent of payroll and compares it with the cost as a percent of payroll including geographic factor adjustments, reported by the U. S. Labor's Bureau of Labor Statistics or other Contracting Officer approved comparator group or broad based national benefit cost survey. Any M&O Contractor defined benefit pension plans and post-retirement benefit plans, closed to new entrants, do not have to be included in the Benefit Cost study measurement.
 - 4.1.5.4 When the weighted average net benefit value for non-bargaining employees exceeds the comparator group by more than five percent, the Contractor may be required to provide, for Contracting Officer approval, a Corrective Action Plan describing the specific actions they plan to take to get to the 105% within a specified period of time.
 - 4.1.5.5 When the benefit costs as a percent of payroll exceeds the comparator group by more than five percent, when and if required by the Contracting Officer, the Contractor shall submit an analysis of the specific plan costs that result in or contribute to the
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percent of payroll exceeding the costs of the comparator group and may be required to submit a corrective action plan and specified period of time if directed by the Contracting Officer.

4.1.5.6 Within two years, or longer period as agreed to between the Contractor and the Contracting Officer, of the Contracting Officer's acceptance of the Contractor's corrective action plan, the Contractor may be required to align employee benefit programs with the benefit value and the cost as a percent of payroll in accordance with its corrective action plan.

4.1.6 In the event the NNSA determines it is appropriate to spin off any portion of any defined benefit plan in order to address benefits for employees who used to perform work under the former M&O Contract, but who subsequently perform work under a different NNSA contract, the Contractor shall negotiate in good faith regarding the disposition of pension plan assets and liabilities consistent with direction from the Contracting Officer.

4.2 Reports and Information: Benefits

The Contractor shall provide to the Contracting Officer:

- (i) Annually, the Report of Contractor Expenditures for Employee Supplemental Compensation (DOE F 3220.8); and
- (ii) Quarterly, input requested benefits data into DOE's iBenefits pension and benefits management system.

4.3 Workers' Compensation

4.3.1 The Contractor, unless 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 workers' compensation policies and all initial proposals for self-insurance. Additionally, Contractors shall provide copies to the Contracting Officer of all renewal policies for workers' compensation.

4.3.2 Workers' compensation loss income benefit payments when supplemented by other programs (such as salary continuation, short term disability) are to be administered so that the total benefit payments from all sources shall not exceed 100% of employee's net pay.

4.4 Pension Plans

4.4.1 For cost allocability and reimbursement purposes, any defined benefit (DB) or defined contribution (DC) pension plans established by the Contractor and any DB or DC plans for which the Contractor assumes sponsorship upon the start of the Base Term, shall be maintained consistent with the requirements of the Internal Revenue Code (IRC),

Employee Retirement Income Security Act of 1974 (ERISA) as amended and any other applicable laws.

- 4.4.2 Any pension plan maintained by the Contractor, for which NNSA reimburses costs, shall be maintained as a separate pension plan distinct from any other pension plan which provides credit for service not performed under a DOE cost- reimbursement Contract. Each Contractor pension plan shall be submitted to an annual, full-scope audit by an outside independent organization and the resulting report, submitted to NNSA, must provide the accounting details specified in ERISA Sections 103 and 104.
- 4.4.3 The Contractor will be reimbursed for pension contributions in the amounts necessary to ensure that the plans are funded to meet the annual minimum required contribution under ERISA, as amended. If a minimum contribution payment is required to avoid benefit restrictions to Plan participants, the Contractor shall notify the Contracting Officer at least sixty (60) days prior to the date the payment is due. Reimbursement above the annual ERISA required minimum contribution will require prior approval of the Contracting Officer. The Contracting Officer will take into consideration all pre-funding balances and funding standard carryover balances when evaluating whether to approve reimbursement above the minimum required contribution. Timing of a Contractor's contributions to a plan must enable a plan's actuary to certify that a plan is adequately funded at the beginning of a plan year.
- 4.4.4 At least 60 days prior to the adoption of any changes to a pension plan, the Contractor shall submit the information required in 4.4.4.1 and 4.4.4.2 below, as applicable, to the Contracting Officer for approval or disapproval and a determination as to whether the costs to be incurred are deemed allowable pursuant to FAR 31.205-6, as supplemented by DEAR 970.3102-05-6.
- 4.4.4.1 For proposed changes to DB and DC plans that are not mandated by law the Contractor shall provide the following to the Contracting Officer:
- (i) A clean copy of the current plan document (as conformed to show all prior plan amendments), with the proposed new amendment indicated in redline/strikeout;
 - (ii) An analysis of the impact of any proposed changes on actuarial accrued liabilities and an analysis of relative benefit value and a cost study index;
 - (iii) Except in circumstances where the Contracting Officer indicates that it is unnecessary, a legal explanation of the proposed changes from legal counsel for purposes of compliance with all legal requirements applicable to private sector DB pension plans;

- (iv) The Summary Plan Description; and
- (v) Any such additional information as requested by the Contracting Officer.

When changes to DB and/or DC plans are required by law, the Contractor must provide a copy of the current plan document (as conformed to show all prior plan amendments), with the proposed new amendment indicated in redline/strikeout no later than 30 days before the new amendment is to take effect.

- 4442 The Contractor shall obtain the advance written approval of the Contracting Officer for any required pension plan changes that are not required by law and which may increase costs or liabilities, and any proposed special programs (including, but not limited to, plan-loan features, employee contribution refunds, or ancillary benefits) and shall provide a justification to the Contracting Officer. The justification must: (a) demonstrate the effect of the plan changes on the contract net benefit value or percent of payroll benefit costs, (b) provide the dollar estimate of savings or costs, and (c) provide the basis of determining the estimated savings or costs.

4.4.5 When operations at a designated NNSA facility are terminated and no further work is to occur under the prime Contract, the following apply.

- 4451 No further benefits for service shall accrue;
- 4452 The Contractor shall provide a determination statement in its settlement proposal, defining and identifying all liabilities and assets attributable to the NNSA Contract;
- 4453 The Contractor shall base its DB pension liabilities attributable to NNSA Contract work on the market value of annuities or dispose of such liabilities through a competitive purchase of annuities. The Contractor, as pension plan sponsor, must adhere to Department of Labor guidance set forth at 29 CFR 2509.95-1 regarding selection of an annuity provider for the purpose of benefit distributions from a DB pension plan;
- 4454 Assets shall be determined using the “accrual-basis market value” on the date of termination of operations; and
- 4455 NNSA and the Contractor 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 NNSA assets assigned to a spun-off or terminating plan shall be placed in a high-yield, fixed-income portfolio until the successor trustee, or an insurance company, is able to assume stewardship

of those assets. The portfolio shall be rated no lower than Standard & Poor's "AA."

4.4.6 Terminating Plans.

- 44.6.1 NNSA Contractors shall not terminate any pension plan (commingled or site specific) without notifying the Department at least 60 days prior to the scheduled date of plan termination.
- 44.6.2 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. The Contractor, as pension plan sponsor, must adhere to Department of Labor guidance set forth at 29 CFR 2509.95-1 regarding selection of an annuity provider for the purpose of benefit distributions from a DB pension plan. The Contractor shall apply the assumptions and termination procedures of the Pension Benefit Guaranty Corporation.
- 44.6.3 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.
- 44.6.4 If ERISA or IRC rules prevent a full transfer of excess NNSA reimbursed assets from the terminated plan, the Contractor shall pay any deficiency directly to NNSA according to a schedule of payments to be negotiated by the parties.
- 44.6.5 On the same day as the Contractor notifies the IRS of the plan termination, all NNSA assets will be placed in a high-yield, fixed-income portfolio until full disposition of the terminating plan's liabilities. The portfolio shall be rated no lower than Standard & Poor's "AA."
- 44.6.6 NNSA liability to a commingled pension plan shall not exceed that portion which corresponds to participants' service accrued for their work under an NNSA Contract. The NNSA shall have no other liability to the plan, to the plan sponsor, or to the plan participants.
- 44.6.7 After all liabilities of the plan are satisfied, the Contractor shall return to NNSA 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 NNSA. Such amount and such earnings shall be subject to NNSA audit. To affect the purposes of this paragraph, NNSA and the Contractor may stipulate to a schedule of payments.

4.4.7 Post Contract Responsibilities for Pension and Other Benefit Plans

44.7.1 If this Contract expires or terminates and NNSA has awarded a Contract under which the new Contractor becomes a sponsor and assumes responsibility for management and administration of the pension or other benefit plans covering active or retired Contractor employees with respect to service, 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 comingled plan is involved, the Contractor shall:

- (i) Spin off the NNSA portion of any commingled plan that provides benefits for employees working at the NNSA facility into a separate plan. The new plan shall provide benefits similar to those provided by the commingled plan and shall carry with it the NNSA assets on an accrual basis market value, including NNSA assets that have accrued in excess of NNSA liabilities.
- (ii) Bargain in good faith with NNSA or the successor Contractor to determine the assumptions and methods for establishing the liabilities involved in a spinoff. NNSA and the Contractor(s) shall establish an effective date of spinoff. On the same day as the Contractor notifies the IRS of the spinoff, all NNSA assets assigned to a spun-off plan shall be placed in a high-yield, fixed income portfolio until the successor trustee is able to assume stewardship of those assets. The portfolio shall be rated no lower than Standard & Poor's "AA."

44.7.2 If this Contract expires or terminates and NNSA 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 paragraph), whichever is earlier, and notwithstanding any other obligations and requirements concerning expiration or termination elsewhere in this Contract, the following actions shall occur regarding the Contractor's obligations regarding the Plans at the time of Contract Completion:

- (i) Subject to paragraph 4.4.7.2(ii) 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.

- (ii) The parties shall exercise their best efforts to reach agreement on the Contractor's responsibilities for sponsorship, management and administration of the Plans 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.

4.4.8 Reports and Information - Retirement Plans: For each DB and DC pension plan as applicable or portion of a pension plan for which NNSA reimburses costs, the Contractor shall provide the Contracting Officer with the following information within nine months of the last day of the current pension plan year except for the Pension Management Plan which shall be submitted by January 30 of each year.

- 44.81 The annual actuarial valuation report for each NNSA-reimbursed pension plan. When a pension plan is commingled, the Contractor shall submit separate reports for NNSA's portion and the plan total.
- 44.82 Copies of IRS Forms 5500 with Schedules for each NNSA-funded pension plan, no later than that submitted to the IRS.
- 44.83 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.
- 44.84 The annual Pension Management Plan as described below (4.5 Pension Management Plan) by January 30 of each year.

4.5 Pension Management Plan

- 4.5.1 The Contractor shall submit a plan for management and administration (Pension Management Plan) for each defined benefit pension plan (Plan) for which the Department has a continuing obligation to reimburse pension contributions that is consistent with the terms of this Contract and which

includes projected assets, projected liabilities, and estimated contributions and the prior year's actuarial valuation report annually on January 30.

4.5.2 The Pension Management Plan shall include:

- 4.5.2.1 The Contractor's best projection of the contributions which it will be legally obligated to make to the Plan(s), beginning with the required contributions for the current fiscal year, based on the latest actuarial valuation, and continuing for the following four fiscal years. This estimate will be based upon compliance with all applicable legal requirements relating to the determination of contributions and upon the assumptions set out in the Plan document(s). All contribution calculations should reflect payments made during DOE fiscal years, beginning Oct 1, through September 30, and the next succeeding six fiscal years. Please include a summary of the key actuarial assumptions used to determine the required contribution. All projections must be based upon the most recently available asset information for the Plan. For example, for a Plan with a July 1 valuation date, project the July 1, value of assets for the current year to be used in the calculation from the actual January 1, value of assets from the same year.
- 4.5.2.2 If the actuarial valuation submitted pursuant to the annual Pension Management Plan update indicates that the sponsor of the Plan must impose benefit restrictions, the Contractor shall provide the following information:
- (i) The type of benefit restriction that will take place;
 - (ii) The number of Contractor employees that potentially could be impacted and the nature of the restriction (e.g., financial impact) by imposition of the required benefit restriction;
 - (iii) The amount of money that would need to be contributed to the Plan and the timing of such contribution to avoid legally required benefit restrictions; and
 - (iv) A recommendation regarding whether the additional money should be contributed to the Plan and the rationale for the recommendation.
- 4.5.2.3 A detailed discussion of how the Contractor intends to manage the Plan(s) to maximize contribution predictability (i.e. forecasting accuracy) and to contain current and future costs, to include the rationale for selection of all Plan assumptions (i.e., actuarial experience studies) that determine the required contributions and which impact the level and predictability of required contributions. As part of the Contractor's plan to

maximize contribution predictability, the Contractor may propose funding strategies other than ERISA minimums for NNSA's consideration and approval. The Contractor shall submit the following for NNSA to consider in deciding on the alternate funding strategy:

- (i) Identify whether the current year additional amount can be absorbed within the current operating budget;
- (ii) Discuss the integration of Plan's funding strategy and investment strategy taking into consideration the plan's demographic profile, liability duration, and impact of current year funding decisions on future year contribution requirements;
- (iii) Discuss the strategy for achieving fully funded status and protecting against erosion of the Plan's funded status;
- (iv) Discuss the strategy for specifically protecting any pension funding contributions reimbursed in excess of the minimum required contribution against the risk of significant loss; and
- (v) Discuss whether the plan has a prefunding or funding standard carryover balance that could be used to improve the plan's AFTAP without requiring additional contributions. Provide a rationale regarding the recommended use of the available balance(s).

4.5.2.4 An assessment to evaluate the effectiveness of the Contractor's Plan(s) investment management/results. The assessment must include at a minimum: a review and analysis of Plan investment objectives and asset allocations; results of the most recent asset liability study and investment policy review; the strategies employed to achieve the Plan's investment objectives; and the methods used to monitor execution of those strategies and the achievement of the investment objectives. The Contractor shall also identify its plans, if any, for revising any aspect of its Pension Management Plan based on the results of the review.

Within thirty (30) days after the date of the submission, appropriate Contractor representatives will meet with the Contracting Officer and other DOE/NNSA representatives to discuss the Contractor's proposed Pension Management Plan. The Contractor must be prepared to discuss any differences between the prior fiscal year's projected pension contributions for future fiscal years and the most recent projected pension contributions for future fiscal years and the rationale for any such discrepancies. In addition, discrepancies between the

actual contributions made for the most recent fiscal year preceding the meeting and the projected contributions for that fiscal year and the rationale for any such discrepancies, and funding strategies for the Plan will be discussed.

5.0 LABOR RELATIONS

- (i) The Contractor shall comply with the National Labor Relations Act, DEAR Subpart 970.2201, and all applicable Federal and State labor laws.
- (ii) No later than 60 days before the commencement of bargaining, the Contractor shall provide to the Contracting Officer in writing 1) the proposed changes to the current collective bargaining agreement that will increase costs over and above the current collective bargaining agreement costs; 2) the proposed savings to the current collective bargaining agreement; 3) the dollar amounts associated with the proposed changes to reflect a total cost and total net cost (or savings). Cost increase figures shall be provided for each of the following distinct categories: wages, health benefits, retirement benefits and all other benefits that increase costs under the existing collective bargaining agreement. Upon the request of the Contracting Officer, provide the full financial impact of the proposed wage increases, including but not limited to the impact on overtime and shift differential costs and an estimate of overhead burden increases that will occur as a result of the proposed wage and benefit increases over the life of the collective bargaining agreement.

The Contractor will provide regional wage survey information, Benefits Value study information, Cost Study information and any other information to support the collective bargaining cost figures set forth in the Contractor's proposal no later than 60 days prior to the commencement of bargaining.

Prior to the commencement of collective bargaining, the Contracting Officer will communicate to the Contractor the total approved, aggregate cost ceiling for the cost associated with the successor collective bargaining agreement. Once the aggregate threshold is determined and provided to the Contractor, no further approval of economic parameters is required unless 1) the changes would exceed the aggregate figure or 2) the changes proposed are contrary to Departmental policy or written instructions. To the extent the Contractor assumes savings from new negotiation positions not set forth in the Contractor's initial cost proposal, the Contractor must notify the Contracting Officer of such assumed savings by no later than 15 days after the collective bargaining agreement is executed.

- (iii) The Contractor shall provide an electronic copy of the bargaining agreement to the Contracting Officer 30 days after formal ratification. The Contractor shall provide the "Report of Settlement" 30 days after formal ratification using the Work Force Information System (WFIS). The Contractor shall provide information requested by the Contractor Officer regarding ratified collective bargaining agreements to which the Contractor is a party. The Contractor shall enter information, including but not limited to the executed collective bargaining agreements, into the iBenefits system (or any successor database) quarterly, or upon Contracting Officer request.
- (iv) The Contractor shall notify the Contracting Officer in a timely fashion of labor relations issues that may cause a significant impact to the workforce.

- (v) The Contractor shall immediately (within twenty-four hours) advise the Contracting Officer of the following:
 - (A) Possible strike situations or other actions affecting the continuity of operations including work stoppages and picketing;
 - (B) Formal action by the National Labor Relations Board (NLRB) including but not limited to issuance of a complaint against the Contractor. Copies of complaints, settlement agreements, judgments and any other documents issued in connection with Contractor actions with respect to labor practices shall be provided to the Contracting Officer;
 - (C) Recourse to procedures under the Labor-Management Relations Act of 1947 as amended or any other state law;
 - (D) Any grievance scheduled for arbitration under any collective bargaining agreement that has the potential for significant economic or other impact as well as the decision of the arbitrator; and
 - (E) Other significant issues that may involve review by other federal or state agencies.

6.0 WORKFORCE PLANNING

6.1 Workforce Planning - General

The Contractor shall analyze workforce requirements consistent with current and future mission requirements and develop appropriate workforce transition strategies to ensure appropriate skills are available at the right time, in the right number, in the right place. Particular attention shall be paid to current and future critical skills. This analysis shall be available for review upon Contracting Officer request.

6.2 Reductions in Contractor Employment – Workforce Restructuring

6.2.1 Voluntary Separations: In order to minimize the number of involuntary separations and mitigate the impact on affected employees, the Contractor will consider in consultation with the Contracting Officer, the use of a Voluntary Separation Program (VSP) before consideration is given to conducting an Involuntary Separation Program (ISP) when workforce restructuring is necessary. The Contractor shall submit the VSP for approval by the Contracting Officer prior to implementation regardless of the number of employees involved. No reimbursement of costs associated with VSPs will be allowable if not approved by the Contracting Officer prior to implementation.

6.2.2 Involuntary Reductions in Contractor Employment

- 6.2.2.1 If the restructuring involves separating between 10-99 employees in a rolling twelve-month period, the Contractor shall notify the Contracting Officer no later than 15 days in advance of the action.
- Section J, Appendix A, Page 40

6.2.2.2 For restructuring actions that involve separating between 50-99 employees, the Contractor shall prepare a specific workforce restructuring plan and submit the plan to the Contracting Officer for informational purposes. In addition, the Contractor shall perform a diversity impact analysis and provide a copy of the analysis to the NNSA Site Counsel at the Nuclear Production Site Office for any restructuring actions that involve 50 or more employees within a 12-month period.

If the restructuring may involve the separation of 100 or more employees within a 12-month period, the Contractor shall submit a specific workforce restructuring plan, for approval by the Contracting Officer, to enable compliance with Section 3161 of the National Defense Authorization Act for Fiscal Year 1993 at a minimum, no later than 90 days in advance of the date the Contractor needs to begin notification to employees in accordance with the law and its attendant timeframes to effect the separations.

6.2.2.3 All notifications to the NNSA must contain pertinent information such as reasons, costs, dates, and numbers of impacted employees.

6.2.3 Any payment of benefits beyond those already approved in the Contract must be approved by the Administrator, NNSA, through the Contracting Officer.

CHAPTER IV. Uranium Processing Facility (UPF)

1.0 INTRODUCTION

As discussed in Section J, Appendix A, Chapter II, Work Scope Structure, the Contractor retains Design Authority for the Uranium Processing Facility at Y-12 under CLIN 0001. CLIN 0002 (defined herein, as Design Agent) is inclusive of all project management elements associated with the design, procurement, construction, start-up, and turnover to operations of the facilities and processes for UPF. Applicable requirements discussed in Section J, Appendix A, Chapter I, Objectives, Scope, and Requirements, Chapter II, Work Scope Structure, and Chapter III, Human Resources, also apply to CLIN 0002, and supplemental requirements for CLIN 0002 are contained in this Chapter.

2.0 BACKGROUND

The UPF project is the solution to meeting NNSA's mission need for Enriched Uranium (EU) processing – by consolidating Y-12's EU processing and manufacturing into appropriately sized modern facilities that meet current safety and security requirements while eliminating the high cost and risk of maintaining Y-12's aging infrastructure. Existing EU processing equipment and technologies are outdated and oversized for the current mission. Y-12 facilities face significant deferred maintenance, require intensive routine maintenance, and are subject to escalating operating, utility, and maintenance costs. Worker protection relies on administrative controls and personal protection equipment rather than engineered controls. Replacement of the Y-12 facilities and equipment will be required to sustain operations, incorporate updated technology, and right-size processes.

3.0 ACQUISITION STRATEGY

The government may evaluate discrete scopes of work to determine the appropriate acquisition strategy for UPF design and construction. In response to these decisions, the Contractor shall be prepared to have:

- (i) The appropriate systems, processes, and procedures in place to support the full suite of potential Federal acquisition strategies, such as Direct Federal Contracting and Interagency Agreements;
- (ii) The ability to perform in a wide variety of roles on behalf of the Government, including serving as an owner's agent, construction manager, or staff augmentation (e.g. estimating, proposal development, etc.); and
- (iii) A full suite of contracting mechanisms in its agreement with the Government including fixed-price, cost-reimbursement, incentive, indefinite-delivery, time-and-materials, and agreements as applicable and deemed necessary, in those cases where the Government decides not to perform the work directly (Note: the terms and conditions of contract may require modification for each type).

4.0 ROLES OF THE DESIGN AUTHORITY AND DESIGN AGENT

The role of the Design Authority will be performed by Mission Engineering under CLIN 0001 and will consist of defining the operational, high-level design, safety basis, and mission

requirements for the UPF engineering scope. The Design Authority is responsible for establishing and recommending approval of the UPF Safety Basis. The Design Authority is responsible for ensuring the operational, design, safety basis, and mission requirements are met. The Design Authority will provide conflict resolution and interpretation of design requirements. The Design Authority will provide oversight of design activities.

The role of the Design Agent will be performed by UPF Engineering under CLIN 0002, using the operational, design, safety basis, and mission requirements as defined by the Design Authority. The Design Agent is responsible for the professional quality, technical accuracy and adequacy, and the coordination of all designs, drawings, specifications and other services furnished under this contract. The Design Agent prepares all design documents and supports information, maintains the design basis, controls configuration, and trends performance of systems.

The Contractor will be responsible for developing a detailed division of responsibility and interaction protocol between the Design Authority and Design Agent. This protocol will be contained within an Interface Control Document that will be jointly approved by the UPF Project Director and the Mission Engineering Manager.

5.0 DESIGN CODE OF RECORD

The Design Code of Record (COR), a term that shall be utilized for this Contract under CLIN 0002, refers to the requirements that are in effect during the entire life cycle of a facility or item of equipment, and includes Federal and state laws, DOE requirements, and specific design criteria defined by national codes and standards. The Design COR and its supporting documents form a single reference source for project design, construction, startup, operating, and decommissioning requirements. The Design COR organizes these documents in a manner that supports accessibility, traceability, and maintainability of facility requirements. Establishing the Design COR early in the design phase and maintaining it under change control for the entire facility lifecycle, improves project costs, schedule, and safety, which enables effective turnover of the facility requirements for design, construction, operation, and decommissioning if the Contractor changes.

The UPF Project is an engineering, procurement, and construction (EPC) project that will be designed, constructed, tested/started up, and turned over to operations, in accordance with an established and approved Design COR, which is specifically applicable to the operational and mission requirements for the UPF engineering scope. The UPF project has adapted this approach to ensure that the UPF Design COR is established early in the design phase by the Contractor, accepted by NNSA early in the Critical Decision process, and controlled by both NNSA and the Contractor during design, construction, operations, and decommissioning.

The *Uranium Processing Facility (UPF) Design Code of Record*, PL-RM-801768-A001, herein referenced as “UPF Design Code of Record,” along with the additional documents and standards identified in the *Uranium Processing Facility (UPF) Other Basis Records*, PL-RM-801768-A002, herein referenced as “UPF Other Basis Records,” shall be adopted as a control point for establishing the project’s design basis and shall remain under change control for the life of the project. This adoption does not constitute validation or approval of the content of these documents, since final approval will occur following the Contractor’s submittal of the Conceptual Safety Design Report.

The UPF Federal Project Director, herein referenced as “FPD,” shall be the final approval authority for the UPF Design Code of Record. Any equivalencies (including “modifications” or “alternatives” where used in lieu of equivalencies) and exemptions that are determined to be applicable:

- (i) Shall clearly demonstrate an equivalent level of safety (i.e., meets or exceeds the required level of protection);
- (ii) Shall be reviewed by the Senior Management Change Control Board prior to initiating an impact assessment and/or adoption; and
- (iii) Shall be approved prior to implementation by the FPD.

The FPD and YFO Manager shall resolve any conflicts between UPF Design Code of Record document(s) within his authority, and provide formal Technical Direction to the Contractor, in accordance with this Contract. Where a change to the UPF Design Code of Record document(s) is determined to not be of benefit to the UPF Project in terms of cost or safety, and the FPD does not have the direct authority to approve the equivalency and/or exemption, the FPD will follow the provisions for relief as specified in DOE O 251.1C, *Departmental Directives Program* and DOE O 410.1, *Central Technical Authority Responsibilities Regarding Nuclear Safety Requirements*. Any formal concurrence and approvals from the Central Technical Authority (CTA), Chief of Nuclear Safety (CNS), or Chief of Defense Nuclear Safety (CDNS) shall be clearly captured in the supporting documentation reviewed by the Senior Management Change Control Board and incorporated into the UPF Design Code of Record after FPD approval, as applicable.

6.0 FUNCTIONAL ORGANIZATION

While the UPF project will be organized in a traditional functional organization approach, an integrated team culture is expected and required. The purpose of this integrated execution approach is to improve safety, quality, inter-discipline communication and efficiency, foster synergy, increase productivity, improve decision making ownership and accountability, and focus on completing the work scope. Typical areas where the integrated team concept is employed are:

- (i) During the design phase with meaningful design and constructability reviews;
- (ii) Through potential material/equipment vendor consolidation;
- (iii) In engineering, procurement, and construction sequencing and integration; and
- (iv) Including interfaces, support, and services required from other organizations across Y-12. For example, Design Authority, Procurement, Operations, Security, Nuclear Safety, Facility Maintenance, Emergency Management, etc.

7.0 GOALS AND OBJECTIVES

The benefits of executing the UPF project include ensuring reliable, long-term, consolidated EU processing capability for the NSE through modern technologies and facilities, an improved

security posture, and an improved health and safety environment for workers. The goals and objectives of the UPF project are to:

- (i) Improve the security posture;
- (ii) Replace end-of-life facilities and ensure a reliable EU processing capability to meet the mission of NNSA;
- (iii) Improve worker protection with an emphasis on incorporating engineered controls; and
- (iv) Comply with modern codes, standards, and Environmental Safety and Health (ES&H) practices.

8.0 PROJECT DESCRIPTION

The Contractor shall be responsible for performance of all UPF project activities including the following:

- (i) Designing the facility for a 50-year life cycle.
- (ii) Completing a detailed cost estimate and schedule to establish a baseline for scope associated with long-lead procurements and site preparations;
- (iii) Obtaining approval of the full project performance baseline;
- (iv) Constructing the facilities for EU processing capabilities;
- (v) Constructing adjacent support and administrative buildings;
- (vi) Procuring and installing electrical components, heating, ventilation and air conditioning equipment, communications, fire system monitoring, diesel generators, and fire water storage and distribution;
- (vii) Procuring and installing process services equipment for delivery of industrial gases, chemicals, cooling water, etc.;
- (viii) Constructing/installing electrical substation;
- (ix) Installing security systems;
- (x) Installing information technology systems;
- (xi) Completing Perimeter Intrusion Detection and Alarm System (PIDAS) and portal work;
- (xii) Installing long-lead items as received to support the construction schedule;
- (xiii) Procuring the balance of process equipment and install the remaining capabilities for full functionality of UPF;

- (xiv) Constructing the Highly Enriched Uranium Materials Facility (HEUMF) Connector;
- (xv) Completing final site work; and
- (xvi) Pre-operational testing.

Designing engineered controls into the facility equipment and processes will reduce or eliminate the numerous administrative controls relied on today. Consideration of long-term maintenance and reliability is an important aspect of facility and equipment design and selection to ensure a reliable, cost-efficient UPF while providing a safe workplace. Equipment shall be selected with appropriate assessment of life cycle cost factors. Automation and/or remote operation shall be considered where hazardous conditions, human factors, and/or efficiency of operations warrant.

The core EU processing capabilities that will be transitioned from the aging Y-12 infrastructure to the new UPF shall be defined in the NNSA issued PRD and approved SRD. These capabilities are expected to include, but are not limited to:

- (i) Casting;
- (ii) Special Oxide Processing;
- (iii) Salvage Processing (e.g. chemical recovery), including conversion of scrap and salvage EU to safe forms for disposition; and
- (iv) Material Accountability.

9.0 PROJECT GOALS AND MILESTONES

Project management of UPF includes: (1) Title I – Preliminary/Conceptual Design including Pre-Design, Schematic Design and Design Development; (2) Title II – Construction Documents including construction drawings, specifications, and cost estimate; (3) Title III – Construction Management including submittal review and inspection; and (4) Services for test and check out, integration with ongoing operations, and transition to operations, which shall be performed in accordance with the UPF Project Management Plan (Section J, Appendix G). The project management objectives provided in Section J, Appendix A, Chapter II, 1.1.3(iii), paragraphs (A) through (D) applies to the UPF project as well as the following:

- (i) Executing the project consistent with a comprehensive plan and the UPF Program Requirement Document for managing EU production capabilities at Y-12 enabling NNSA to meet its mission;
- (ii) Completing design and construction of the UPF in accordance with the current design information and the approved design for the final update of the UPF Project Management Plan, within the approved total project cost range and the funding profile;
- (iii) Installation and preoperational startup of the EU process capabilities in the UPF buildings;
- (iv) Managing under project management best business practices to include, but not limited to configuration control such that changes in the scope, cost, and schedule basis are documented;
- (v) Regular updates of estimates at completion shall be provided to NNSA;

- (vi) The Contractor shall provide input in the formulation of a project fee plan, as prescribed in Section B, B-8, for CLIN 0002 scope of work;
- (vii) The Contractor shall establish performance metrics consistent with Contract at Section J, Appendix B-2, in a way that quickly and accurately provides NNSA and Contractor management an overall assessment of the “health of the project”; and
- (viii) Once established, the fee plan process and metrics shall become part of the Contractor’s Contractor Assurance System, which shall allow NNSA with transparency to information in order to aid in the timely identification and understanding of significant performance issues.

10.0 COST REQUIREMENTS

Manage the UPF Project, as a severable cost center within the SUBCLIN structure defined under Section B CLIN 0002 of the Contract. This shall include all services (provided by M&O organizations under CLIN 0001) and subcontracts that support CLIN 0002, which shall be clearly defined by the Contractor (e.g. Statement of Work, Cost, and Roles and Responsibilities, etc.).

11.0 PROJECT DELIVERABLES

The following UPF Design Requirements Document, DOE/ORO-2171 Uranium Processing Facility (UPF) Program Requirements Document (PRD), and Deliverables Table of Contents, Contract Data Requirements List (CDRL) and Data Item Descriptions (DIDs), is hereby incorporated into the contract by reference, and shall be contained and maintained under configuration control in full text under PL-RM-801768-A002, Other Basis Records (OBR). The current applicability of each DID contained in the CDRL shall be controlled through revision of PL-RM-801758-A002 pursuant with UPO-95-A025 UPF Project Senior Management Change Control Board (SMCCB) Process, in accordance with section 5.0 Design Code of Record.

DATA ITEM DESCRIPTION (DID) #	TITLE
DID-ENG-0001/T	As-Built Configuration List
DID-ENG-0002/T	As-Built Drawings
DID-ENG-0003/T	Code of Record Document
DID-ENG-0004/T	Conceptual Design Report
DID-ENG-0009	Design Master Record Index
DID-ENG-0010	Facility Design Description
DID-ENG-0012/T	Final Design Review
DID-ENG-0014/T	Interface Control Document
DID-ENG-0015/T	Preliminary Design Report
DID-ENG-0017/T	System Design Description
DIE-ENG-0018/T	Technology Readiness Assessment
DID-ENG-0019/T	Reliability, Availability, Maintainability, and Inspectability
DID-ENG-0020/T	Design Review Plan
DID-ENG-0021/T	Engineering Drawings
DID-ENG-0023/T	Equipment List
DID-ENG-0025/T	Design Change Control Plan
DID-ENG-0026	Request for Deviation (Request for Variance)
OT-ENG-1027	Design Criteria
OT-ENG-1028	Engineering Execution Plan
OT-ENG-1029	Material& Energy Balance Design Analysis Calculations
OT-ENG-1030	Process Narratives
OT-ENG-1031	Scope of Facilities

OT-ENG-1032	System Requirement Document
OT-ENG-1003	Other Basis Records
DID-ITS-0002	Technical Requirements Document
DID-ITS-0003	Cyber Security Plan
DID-OPS-0001	Operations and Maintenance Plan
DID-OPS-0002	Startup Notification Report
DID-OPS-0003	Startup Plan
DID-PM-0001/T	Document of Trend Board/Change Control Board Meetings
DID-PM-0002/T	Configuration Management Document Pick List
DID-PM-0003	Configuration Management Plan
DID-PM-0004/T	Project Completion Verification
DID-PM-0005	Document Control Plan
DID-PM-0006/T	Earned Value Management (EVM) Plan
DID-PM-0008	Long Lead Items List
DID-PM-0009	Systems Engineering Management Plan
DID-PM-0010	Procurement Plan
DID-PM-0011/T	Project Acquisition Plan
DID-PM-0012	Project Execution Plan
DID-PM-0013/T	Project Management Plan
DID-PM-0014/T	Project Performance Baseline Control Plan
DID-PM-0015/T	Records Management Plan
DID-PM-0016/T	Requirements Management Plan
DID-PM-0017/T	Risk Analysis Report
DID-PM-0018/T	Risk Management Plan
DID-PM-0019/T	Risk Register
DID-PM-0022/T	Work Breakdown Structure and WBS Dictionary
DID-PM-0023/T	Critical Path Schedule
DID-PM-0024	Fixed Price Contract Milestone & Schedule Status Report
DID-PM-0026/T	Monthly Project Report
DID-PM-0027/T	Resource Loaded Schedule
DID-PM-0028	Statement of Work
DID-PM-0029/T	Total Project Cost
DID-PM-0030/T	Emergency Management Plan
DID-PM-0031/T	Quality Assurance Plan
OT-PM-1031	Contractor Assurance System
DID-PM-0032	Technology Maturation Plan
DID-PM-0033/T	Value Engineering Plan
OT-PM-1033	Value Engineering Program Status Report
DID-PM-0034	Communications Management Plan
DID-PM-0035/T	Project Funding Requirements Profile
DID-PM-0036/T	Federal Project Director Monthly Project Review
DID-PM-0037/T	Data Management Plan
DID-PM-0039/T	Master Document List
DID-PM-0040/T	Life Cycle Cost
DID-PM-0041/T	Project Closeout Report
DID-PM-0056	Root Cause Analysis
DID-PM-0059	Corrective Action Plan
DID-PM-0066	Integrated Baseline Review Report
DID-PM-0071	Nonconformance Report
DID-PRG-0001	Checkout, Testing, and Operations Acceptance
DID-PRG-0003/T	Key Performance Parameters
DID-PRG-0004/T	Key Project Assumptions
DID-PRG-0005	Operations and Maintenance Configuration Management
DID-PRG-0006/T	Performance Baseline Development Plan
DID-PRG-0009/T	Transition to Operations Plan
DID-PRG-0011	Program Requirements Document
DID-PRG-0014/T	Analysis of Acquisition Alternatives
DID-PRG-0015/T	Project Master Schedule
DID-PRG-0016	Performance Work Statement
DID-PRG-0017	Contract Data Requirements List
DID-PRG-0019/T	Project Data Sheet
DID-PRG-0020/T	Contracting Strategy Analysis
DID-PRG-0021	Monthly Status PARS II Report
DID-PRG-0022/T	Integrated Program Management Report (IPMR)
DID-SAF-0001	Conceptual Safety Design Report

DID-SAF-0003	Operational Readiness Review Implementation Plan
DID-SAF-0004	Final Hazards Analysis Report
DID-SAF-0005	Hazardous Analysis Report
DID-SAF-0006	Preliminary Documented Safety Analysis
DID-SAF-0007	Preliminary Hazards Analysis
DID-SAF-0008	Preliminary Safety Design Report
DID-SAF-0009	Safety Design Strategy
DID-SAF-0010	Technical Safety Requirements
DID-SAF-0011	Documented Safety Analysis
DID-SAF-0012/T	Readiness to Proceed (RTP) Memorandum
DID-SAF-0013/T	Contractor Operational Readiness Review Plan of Action
DID-SAF-0014/T	Integrated Safety Management Plan
DID-SAF-0015	Safety Design Control Plan
DID-SAF-0016	Fire Hazards Analysis
DID-SAF-0017/T	Occurrence Report
DID-SAF-0018/T	Lessons Learned Report
DID-SAF-0019/T	Occupational Safety Plan and Reporting
OT-ADM-1001	Conference Minutes
DID-SEC-0001/T	Final Security Vulnerability Assessment
DID-SEC-0002/T	Preliminary Security Vulnerability Assessment
DID-SEC-0003/T	Security Plan
DID-SEC-0004/T	Safeguards and Security Requirements
OT-SEC-1006/T	Comprehensive Emergency Management System
DID-ITS-0001	Information Technology Management Plan
DID-EPC-0001	Environmental Compliance Strategy
DID-EPC-0002	Environmental Management System Documentation
DID-EPC-0003	Final NEPA Documentation
DID-EPC-0004	NEPA Compliance Strategy
DID-CST-0001/T	Pre-Construction (Site Preparation) Plan
DID-CST-0002/T	Construction Management Plan
DID-CST-0003/T	Construction Work Authorization Plan
DID-CST-0004/T	Construction Safety Plan
OT-CST-1005	Daily Construction Progress Report
OT-CST-1006	Weekly Construction Working Schedules
DID-MGMT-81468/T	Contract Funds Status Report

APPENDIX B

PERFORMANCE EVALUATION PLANS

[MODs 0015, 0045, 0052, 0075, 0084, 0118, 0162, 0177, 0201, 0211, 0246, 0276, 0285, 0299, 0303, 0345, 0356, 0364, 0370, 0373]

***B-1 PERFORMANCE EVALUATION PLAN FOR THE MANAGEMENT AND OPERATION (M&O) OF Y12/PX**

[Replaced in its entirety by MOD 0015, Fiscal Year 2015 version added by MOD 0045, Fiscal Year 2016 version added by MOD 0052, Fiscal Year 2017 version added by MOD 0084, Fiscal Year 2018 version added by MOD 0118, Fiscal Year 2019 version added by MOD 0162, Fiscal Year 2020 version added by MOD 0177, Fiscal Year 2021 version added by MOD 0211, Fiscal Year 2022 version (Oct12022-Mar312022) added by MOD 0246, Revised FY22 PEMP-Fiscal Year 2022 version (Oct12022-Sept302022) added by MOD 0276, Fiscal Year 2023 version added by MOD 0276, Fiscal Year 2023 Revision 1 added by Mod 0285, Fiscal Year 2023 Revision 2 added by Mod 0299, Fiscal Year 2024 version added by Mod 0303, Fiscal Year 2024 Revisions 1 and 2 added by Mod 0345, Fiscal Year 2025 version and Revisions 1 and 2 added by Mod 0356, Fiscal Year 2026 version added by Mod 0364, Fiscal Year 2025, Revision 3 added by Mod 0370]

*For the latest B-1 Performance Evaluation and Measurement Plans (PEMPs) revisions, including those for each Fiscal Year, please refer to the hyperlink below. You will find them under the *PEMPs and PERs, Pre-2015 Pantex PEMP and PERs*, and *Pre-2015 Y-12 PEMP and PERs* dropdown menus. All historical revisions of the PEMP are located under the *Contract and modifications* dropdown menu within their respective Modification document hyperlink.

<https://www.energy.gov/nnsa/y-12-national-security-complex-contract>

****B-2 PERFORMANCE EVALUATION PLAN FOR UPF PROJECT MANAGEMENT**

[Incorporated by MOD 0075, Amended by MOD 0201, Replaced in its entirety by NNSA Capital Line-Item Project UPF Master Award Fee Plan/ Annex / Stretch Goals under Mod 0373, Fiscal Year 2026 Award Fee Plan/ Annex added by Mod 0373]

**B-2 is found below.

B-2

PERFORMANCE EVALUATION PLAN FOR UPF PROJECT MANAGEMENT

CLIN 0002

NNSA CAPITAL LINE-ITEM PROJECT UPF MASTER AWARD FEE PLAN / ANNEX / STRETCH GOALS

CONSOLIDATED NUCLEAR SECURITY, LLC
MANAGEMENT AND OPERATION OF THE Y-12
NATIONAL SECURITY COMPLEX SITE



THE NATION'S
URANIUM PROCESSING FACILITY

Contract Number: DE-NA0001942

Project Number: 06-D-141

Performance Evaluation Period: October 1, 2024 through May 31, 2030

[Redacted Signature]

Richard J. Tighe
President & Chief Executive Officer
Consolidated Nuclear Security, LLC

Date

[Redacted Signature]

Michael S. Pearson
Director
Y-12 Acquisition & Project Management Office
National Nuclear Security Administration

Date

[Redacted Signature]

Scott S. Crawford
UPF Prime Contracts Manager
Consolidated Nuclear Security, LLC

Date

[Redacted Signature]

Michael C. Bocskovits
Construction Contracting Officer
Y-12 Acquisition & Project Management Office
National Nuclear Security Administration

Date

UPF MASTER AWARD FEE PLAN/ANNEX/STRETCH GOALS

APPROVALS

Fee Determination Official Approval:

[Redacted Signature]

Teresa Robbins
Associate Principal Deputy Administrator, NA-4

Date

Concurrence:

[Redacted Signature]

William Quigley
Deputy Associate Administrator, NA-PAS-2
Senior Procurement Executive

Date

[Redacted Signature]

Nicole Nelson-Jean
Associate Administrator for Infrastructure, NA-90-1

Date

UPF MASTER AWARD FEE PLAN/ANNEX/STRETCH GOALS

DOCUMENT REVISION HISTORY

Revision	Date	Change Description

UPF MASTER AWARD FEE PLAN/ANNEX/STRETCH GOALS

INTRODUCTION

The Y-12 National Security Complex (Y-12) is a site owned by the United States Government, under the custody of the Department of Energy (DOE)/National Nuclear Security Administration (NNSA) and is managed and operated by Consolidated Nuclear Security, LLC (CNS), herein referenced as “Contractor.”

This document serves as the Master Agreement, which contains three parts, the Master Award Fee Plan (AFP), FY25 - FY30 Schedule Objective Fee Annex (Annex), and SMART Stretch Goals. NNSA approval of the Contractor’s Performance Measurement Baseline (PMB) and Contract modification shall definitize the estimated cost and schedule to complete the UPF project.

The total available fee associated with CLIN 0002 (combined for all years) that may be earned under the Annual AFP and FY25 - FY30 Schedule Objective Fee Annex is \$50,000,000, of which \$16,000,000 is Subjective Award Fee as defined in the AFP, and \$34,000,000 is Objective Fee as defined in the Annex.

In accordance with Contract Line-Item Number (CLIN) 0002 of Contract Number DE-NA0001942 (Contract), the Contractor shall provide personnel, equipment, materials, supplies and services, and otherwise do all things necessary for, or incident to effectively, efficiently, and safety ensure the completion of UPF. As such, the fee associated with CLIN 0002 is separate and severable from all other fee provisions set forth in the Contract. Fee associated with CLIN 0002 fee may only be earned in accordance with this plan. Any ability to earn fee under the Settlement Agreement dated September 30, 2022, is extinguished and this document represents the sole method by which the Contractor may earn fee for the completion of UPF. In order to achieve final outcomes, the Contractor must meet key mission objectives and address significant management challenges identified by NNSA. The AFP is intended to motivate the Contractor to address management challenges and achieve concrete objective outcomes.

For the purposes of the AFP and Annex, fee shall be 32% subjective and 68% objective, respectively.

The AFP will evaluate the Contractor’s performance through Subjective Evaluation Factors, and each factor will be measured against the criteria set forth in the AFP section. NNSA will objectively evaluate the Contractor’s performance through Schedule Objective Fee Milestones, which will be validated by Y-12 APMO against the Annex completion evidence that can be documented by the Contractor and verified by NNSA. The Y-12 APMO will be responsible for input into the AFP FDO evaluation and primarily responsible for verifying completion of the Annex outcomes. The Subjective and Objective fee determination will be made by the Fee Determining Official (FDO).

The total available FY fee amounts for the remainder of the project duration are provided in the Table below.

	FY25	FY26	FY27	FY28	FY29	FY30	TOTAL
SUBJECTIVE	\$6,720,000	\$4,224,000	\$2,496,000	\$1,600,000	\$960,000	\$0	\$16,000,000
OBJECTIVE	\$14,280,000	\$8,976,000	\$5,304,000	\$3,400,000	\$2,040,000	\$0	\$34,000,000
FY TOTAL	\$21,000,000	\$13,200,000	\$7,800,000	\$5,000,000	\$3,000,000	\$0	\$50,000,000

UPF MASTER AWARD FEE PLAN/ANNEX/STRETCH GOALS

PERFORMANCE RATING PROCESS

FOR SUBJECTIVE AND SCHEDULE OBJECTIVE FEE

NNSA will oversee performance throughout the performance evaluation period and provide quarterly feedback to the Contractor highlighting accomplishments and issues. At the end of the performance evaluation period, an evaluation of the Contractor's fiscal year performance will be completed against the criteria in the AFP and Annex.

Sources used to support Subjective Fee and Schedule Objective Fee performance evaluation include, but are not limited to cost and schedule data, formal assessments, Contractor self-assessments, internal and external audits, inspections, walk-downs, program and project reviews, execution awareness activities, Contractor assurance systems, and completion evidence, etc.

NNSA will consider the Contractor's UPF Project end of year (EOY) self-assessment report in the performance evaluation for Subjective Fee. The Subjective Fee criteria will be evaluated in accordance with FAR 16.401(e)(3) yielding ratings of Excellent, Very Good, Good, Satisfactory, or Unsatisfactory. The overall rating and percentage of Subjective Fee earned will be based on the aggregate scoring of the subjective evaluation factors. It is expected that the Contractor's EOY Self-Assessment be supported by cost and schedule data from certified EVMS performance assurance activities including information from the Contractor's Quality Management System and Contractor's Assurance Systems.

Notwithstanding the overall strategic framework, any significant failure may impact the rating achieved that determines the Subjective Fee earned. Dollar values contained in the AFP for Subjective Fee are provided as guidelines for developing a recommendation of fee allocation to the FDO. Subjective Fee shall remain 100% at risk until earned. The final fee determination as to the amount of fee earned is a unilateral determination made by the FDO. Fee may be reduced per Contract Section B.9, DEAR 970.5216-3, *Conditional Payment of Fee, Profit, and Other Incentives – Facility Management Contracts (JAN 2004) ALTERNATE II [JAN 2004] [DEVIATION]*.

The Contractor may request a face-to-face meeting with the FDO to highlight its strategic performance with respect to the Subjective Fee criteria at the end of the performance evaluation period. This meeting must be requested within the first two weeks after the end of the period.

CHANGE CONTROL

The approved AFP and Annex shall be incorporated into the Contract by modification at Section J, Appendix B-2, *UPF Award Fee Plan/Annex*.

It is essential that a baseline of performance expectations with respect to Subjective Fee criteria is established at the beginning of the evaluation period to equitably measure performance, and that changes to the performance baseline are carefully managed. Unforeseen circumstances and/or changes in priorities may necessitate corresponding changes to the Subjective Fee Structure. Any changes, including modifications to or removal of any Subjective Fee criteria, requires concurrence by the NNSA Office of Infrastructure (NA-90) and the Senior Procurement Executive, and approval by the FDO prior to the Y-12 Acquisition and Project Management Office (Y-12 APMO)

UPF MASTER AWARD FEE PLAN/ANNEX/STRETCH GOALS

signatures. While recognizing the unilateral rights of NNSA as expressed in the Contract terms and conditions, bilateral changes are the preferred method of change whenever possible.

PROVISIONAL FEE

NNSA CCO reserves the right to implement an appropriate provisional fee liquidation model as required.

UNEARNED FEE

FDO fee determinations are final. There will be no ability for the Contractor to recover unearned award fee. Schedule Object Milestones not achieved by the due date are unearned, unless a deferral date methodology is established.

SMART STRETCH GOALS

The Fee Plan includes SMART Stretch Goals (specific, measurable, achievable, relevant, and time-bound incentives) to create and communicate clear and measurable desired final outcomes to successfully complete the UPF project under budget and ahead of schedule.

UPF MASTER AWARD FEE PLAN

SUBJECTIVE FEE STRUCTURE

Subjective Evaluation Factors, Weightings, and Fee Allocations

NNSA will evaluate the Contractor on any and/or all areas of performance within the integrated project and Contract scope of work. A significant element of any fee evaluation shall be the Contractor's demonstrated performance in meeting or exceeding the performance standards below. The following are the subjective evaluation factors, which will be used as the basis for evaluation, and a summary table that identifies the associated weightings and fee allocations for each. Subsequent revisions to the Subjective Fee criteria in this AFP may revise the factors or associated weightings and fee allocations with proper notification to the Contractor of the changes and opportunity for Contractor input.

Subjective Performance Evaluation Factor	Weighting	Fee Allocation
1. Effective Interactions and Timely Responses	12%	\$1,920,000
2. Effective Integrated Project Management	7%	\$1,120,000
3. Execution within Cost Parameters	37%	\$5,920,000
4. Execution within Schedule Parameters	44%	\$7,040,000
UPF Total Subjective Fee Available	100%	\$16,000,000

1. Effective Interactions and Timely Responses (Weighting: 12%)

The Contractor shall ensure project issues identified by NNSA and/or Contractor(s), particularly those affecting safety, security, quality, and project performance, are promptly, effectively, and transparently addressed. The Contractor shall respond to issues identified by NNSA, including but not limited to assessment issues, reviews, and awareness activities within requested timeframes. The Contractor shall notify the appropriate NNSA functional counterpart of Contractor identified issues and take appropriate project or Contract actions to adequately address. The Contractor shall support NNSA in project related areas such as budget exercises, quarterly reviews, tours, etc.

The Contractors Primary Evidence for this Factor:

- Contractor Assurance System (CAS) Resolutions.
- UPF Nonconformance Reports (NCRs)/Field Change Documents (FCDs).
- Responsiveness to requests and meeting Contractor commitments.
- Contractor's Estimate at Completion (CEAC) and Spend Plans (obligations and expenditures) efforts that support budget cycle.

2. Effective Integrated Project Management (Weighting: 7%)

The Contractor shall sustain a fully integrated project organization focused on executing the UPF Capital Line-Item Project in accordance with the approved project performance baselines, work authorizations, and Contract. The Contractor shall perform and manage in a transparent and quality manner that applies effective cost controls and decisions to stay on schedule. This includes a right- sized integrated organization with personnel empowered to lead change within a disciplined conduct of project management utilizing project management systems, processes and

UPF MASTER AWARD FEE PLAN

procedures aligned with Department of Energy Order 413.3B, DOE/NNSA guides and industry standards. The Contractor's project management system, personnel and organization are competent, appropriately rigorous, integrated, and agile for large, complex and long duration projects.

Primary evidence for this Factor shall be demonstrated performance that meets and/or exceeds planned productivity and production rates while actively integrating functional inputs into the design, procurement, and construction outputs. The Contractor shall strive to minimize rework, idle time, unit rate changes, and put in controls to eliminate inaccurate earning.

The Contractor's Project Management Control System shall at a minimum:

- Maintain a compliant Earned Value Management System (EVMS) that timely resolves any Corrective Action Requests (CARs) and Discrepancy Reports (DRs).
- Variances and resulting impacts to the projects shall be analyzed at least monthly and appropriate, timely actions shall be taken to mitigate future variances/impacts.
- The trend program shall identify, document, approve and implement working performance baseline changes in a timely and cost-effective manner considering both cost and schedule impacts of each trend.
- Maintain an Integrated Master Schedule that accurately status design, procurement, technology development and integration fabrication, construction, assembly, test activities, commissioning and turnover of operations, including critical path schedules, monthly status reports, and PARS uploads on a regular and timely basis.
- Provide timely and thorough analysis and basis to support development of impact-based decisions (i.e., date at which decisions need to be made to avoid adverse impact, and recommend prioritization, actions/options, with sufficient time for Government to act.

3. Execution within Cost Parameters (Weighting: 37%)

The Contractor shall execute Cost Performance efficiently and effectively within the NNSA approved PMB to ensure NNSA mission commitments and Contractor commitments are met with timely, high-quality deliverables, in accordance with DOE Order 413.3B and ANSI/EIA-748, as defined on Contract.

Primary evidence for this Factor shall be demonstrated effective cost performance against the PMB.

The Contractor's Cost Parameters shall at a minimum:

- Complete authorized scope in accordance with the PMB; provide timely and accurate project cost reporting.
- Manage and maintain a deliverable-based resource-loaded Work Breakdown Structure (WBS) baseline; cost control accounts, work packages and planning packages consistent with industry best practices and standards and compliant with the Contractor's Earned Value Management System Description (EVM-SD).
- Implement improved change control management of scope, cost, and schedule in accordance with the applicable threshold tables contained in the approved Project Execution Plans and in accordance with DOE Orders and the EVM-SD.

UPF MASTER AWARD FEE PLAN

- Update Earned Value Management System (EVMS) tools with PMB data in accordance with Construction Contracting Officer (CCO) direction.
- Provide early warning accurate cost forecasting and analyze cost performance during each monthly period.
- Accurately measure earnings, e.g., work accomplished; implement controls to identify, report, and correct problems within the next reporting period after problems identified.
- Expend funds and resources that optimally provide maximum benefit to tax payer;
- Generate cost savings opportunities and ways to reduce project costs.
- Demonstrate cost effective procurement and subcontract management.
- Actively mitigate cost growth and performance impacts and only approve Trends after all mitigation steps have been exhausted.
- Execute the Trend and BCP program in accordance with NNSA Level II BCP approval.
- Identify, quantify and mitigate technical, programmatic, schedule, and cost risks.
- Ensure prompt resolution of any post IBR findings and corrective actions.

4. Execution within Schedule Parameters (Weighting: 44%)

The Contractor shall execute Schedule Performance effectively and efficiently within the approved NNSA approved Integrated Master Schedule (IMS) and PMB to ensure NNSA Work Authorization mission commitments and Contractor commitments are met with timely, high-quality deliverables, in accordance with DOE Order 413.3B and ANSI/EIA-748, as defined on Contract.

Primary evidence for this Factor shall be demonstrated effective schedule performance against the IMS and PMB.

The Contractor's Schedule Parameters shall at a minimum:

- Complete authorized scope in accordance with the PMB; provide timely and accurate project cost reporting.
- Manage and maintain an IMS to support project management, execution and control; include the total scope of baselined work and identify WBS elements for all activities and milestones; identify interdependencies between project activities/milestones to reflect a credible, logical project sequence; activity durations which are reasonable, measurable, and appropriately detailed for effective management; appropriate activity and resource calendars are employed.
- Update EVMS tools with PMB data in accordance with CO Direction.
- Implement improved change control management of scope, cost, and schedule in accordance with the applicable threshold tables contained in the approved Project Execution Plans and in accordance with DOE orders and the EVM-SD.
- Maintain current project status and credible start/finish forecasts for all to-go tasks and milestones; include project and management controls milestones.
- Ensure there are no changes to NNSA activities without direction from CO.

UPF MASTER AWARD FEE PLAN

- Manage a credible critical path and near critical paths as determined by the calculated IMS logic network. This includes prioritization of near-term critical paths and mitigation of delays prior to finalization of critical path reporting.
- Ensure adequate schedule margin has been included and clearly defined;
- Ensure the number of lags/leads and activity constraints is limited and reasonable and within limits established by DOE.
- Schedule should include subcontracted scope detail into schedule/critical path to ensure successful integration. This includes identification of prerequisite work to ensure timely completion of subcontracted scope at a sufficient level of detail to manage required interfaces.
- Hold subcontractors accountable and take actions to avoid/mitigate impacting subcontract performance that may impact the project.
- Minimize construction down times; delays to construction activities are minimal, and all delays are proactively identified, tracked, analyzed for patterns, evaluated for quick resolution, and reported expeditiously to NNSA.
- Actively mitigate schedule growth and performance impacts and only approve Trends after all mitigation steps have been exhausted.
- Identify, quantify and mitigate project schedule risks; perform schedule risk analysis to accurately predict the probability of completing on time.
- Ensure prompt resolution of any post IBR findings and corrective actions.

End of Subjective Performance Factors

UPF MASTER AWARD FEE PLAN

SUBJECTIVE ADJECTIVAL RATINGS

Excellent	91%-100%	Contractor has exceeded almost all 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. <i>This performance level is evidenced by at least one significant accomplishment, or a combination of accomplishments that significantly outweigh very minor issues, if any. No significant issues in performance exist.</i>
Very Good	76% - 90%	Contractor has exceeded many 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. <i>This performance level is evidenced by accomplishments that greatly outweigh issues. No significant issues in performance exist.</i>
Good	51% - 75%	Contractor has exceeded some 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. <i>This performance level is evidenced by accomplishments that slightly outweigh issues. No significant issues in performance exist.</i>
Satisfactory	No greater than 50%	Contractor 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. <i>This performance level is evidenced by issues that slightly outweigh accomplishments.</i>
Unsatisfactory	0%	Contractor has failed 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. <i>This performance level is evidenced by issues that significantly outweigh accomplishments, if any.</i>

Definitions

Accomplishment is an achievement or success in the performance of Contract requirements that exceeds standards or expectations. Examples might be performing full Contract requirements under budget while meeting or beating schedule baselines or performing additional scope within the initial cost targets with no negative effect on requirements or other programs, indicating continued performance improvement.

Issue is a point in question or a matter that raises concerns regarding successful performance of Contract requirements within scope, cost (budget), and schedule baselines or concern of negative effect on requirements or other programs, indicating a decline in performance that needs attention and improvement.

End of Master Award Fee Plan (Subjective Fee).

UPF FY 25 – FY 30 ANNEX

SCHEDULE OBJECTIVE FEE STRUCTURE

This Annex sets forth the FY25 – FY30 objective schedule milestones that must be achieved by the Contractor by the due date to earn Schedule Objective Fee.

The desired goal is to incentivize the Contractor to deliver all remaining UPF scope [Main Processing Facility Building (MPB), Salvage & Accountability Building (SAB), and Process Support Facilities (PSF) subprojects] on schedule, by using a schedule Annex structure. Thus, NNSA reserves the right to update the Contract as required post NNSA approval of the Contractor's PMB, the Master Annex, Section J, Appendix B-2, *UPF Fee Plan*, including the KPOs that safeguard the UPF TPC and CD-4 date.

All other provisions, terms and conditions of the Contract, including UPF Fee Plan/Annexes, shall continue to apply (Part III, Section J, Appendix B, B-2), unless modified by Contract modification. Notwithstanding the foregoing, any ability to earn fee under the Settlement Agreement dated September 30, 2022, is extinguished and this document represents the sole method by which the Contractor may earn fee for the completion of UPF after the date of execution of this Fee Plan.

All fee requests shall be submitted as follows:

- a. The Contractor shall schedule a briefing with the UPF Subproject FPD and CCO prior to development of a fee request package. Formal documentation of the briefing shall be produced by the Contractor including UPF Subproject FPD and CCO comments on said document for FDO review and approval.
- b. Contractor shall submit transmittal letter that provides clear directions and permissions for accessing and reviewing objective completion evidence. Fee requests that do not contain sufficient navigation instructions shall not be evaluated.
- c. The Contractor shall schedule, a minimum of 5 days in advance, a walk down of completed work scope with the UPF Subproject FPD and CCO prior to development of a fee request package.

Summary of UPF Schedule Milestones:

Schedule Milestones	Period	Schedule Fee
UPF.06-01: Complete Q1 Construction Turnovers to Startup	FY25 Q1	\$1,200,000
UPF.06-02: Complete Confirmation of 113 of the 225 To-go DACs	FY25 Q1	\$800,000
UPF.07-01: Complete Q2 Construction Turnovers to Startup	FY25 Q2	\$1,800,000
UPF.07-02: Alternate PIDAS Operational	FY25 Q2	\$1,100,000
UPF.08-01: Complete Q3 Construction Turnovers to Startup	FY25 Q3	\$2,500,000
UPF.08-02: MEX LO Furnace – FAT Testing	FY25 Q3	\$1,100,000
UPF.09-01: Complete Q4 Construction Turnovers to Startup	FY25 Q4	\$3,580,000
UPF.09-02: MPB LVP Component and System Testing Complete	FY25 Q4	\$1,100,000
UPF.09-03: SAB YA System Testing Complete	FY25 Q4	\$1,100,000
FY 2025 UPF Schedule Objective Fee Available		\$14,280,000
UPF.10-01: Complete FY26 Q1 Milestones	FY26 Q1	TBD

UPF FY 25 – FY 30 ANNEX

UPF.11-01: Complete FY26 Q2 Milestones	FY26 Q2	TBD
UPF.11-02: Fire Hazard Analysis (Rev 0) Issued	FY26 Q2	TBD
UPF.12-01: Complete FY26 Q3 Milestones	FY26 Q3	TBD
UPF.12-02: Approve/Accept Construction Turnover Package – Construction Turnover to Startup of CAST 2	FY26 Q3	TBD
UPF.12-03: Approve/Accept Construction Turnover Package – Construction Turnover to Startup of CAST 1	FY26 Q3	TBD
UPF.12-04: Deliver High-Equity Metal Oxidizer Furnace	FY26 Q3	TBD
UPF.12-05: Approve/Accept Construction Turnover Package – Construction Turnover to Startup of CAST 4	FY26 Q3	TBD
UPF.13-01: Complete FY26 Q4 Milestones	FY26 Q4	TBD
FY 2026 UPF Schedule Objective Fee Available		\$8,976,000
UPF.14-01: Complete FY27 Q1 Milestones	FY27 Q1	TBD
UPF.14-02: Approve/Accept Construction Turnover Package – Construction Turnover to Startup of CAST 3	FY27 Q1	TBD
UPF.15-01: Complete FY27 Q2 Milestones	FY27 Q2	TBD
UPF.15-02: PIDAS Operational	FY27 Q2	TBD
UPF.15-03: SAB Construction Complete	FY27 Q2	TBD
UPF.16-01: Complete FY27 Q3 Milestones	FY27 Q3	TBD
UPF.17-01: Complete FY27 Q4 Milestones	FY27 Q4	TBD
UPF.17-02: Final DSA/TSR Approved	FY27 Q4	TBD
UPF.17-03: MPB Construction Complete	FY27 Q4	TBD
FY 2027 UPF Schedule Objective Fee Available		\$5,304,000
UPF.18-01: Complete FY28 Q1 Milestones	FY28 Q1	TBD
UPF.19-01: Complete FY28 Q2 Milestones	FY28 Q2	TBD
UPF.19-02: HCON Construction Complete	FY28 Q2	TBD
UPF.20-01: Complete FY28 Q3 Milestones	FY28 Q3	TBD
UPF.20-02: UPF Integrated Testing Complete	FY28 Q3	TBD
UPF.21-01: Complete FY28 Q4 Milestones	FY28 Q4	TBD
FY 2028 UPF Schedule Objective Fee Available		\$3,400,000
UPF.22-01: Complete FY29 Q1 Milestones	FY29 Q1	TBD
UPF.23-01: Complete FY29 Q2 Milestones	FY29 Q2	TBD
UPF.23-02: MAA Operational	FY29 Q2	TBD
UPF.24-01: Complete FY29 Q3 Milestones	FY29 Q3	TBD
UPF.25-01: Complete FY29 Q4 Milestones	FY29 Q4	TBD
FY 2029 UPF Schedule Objective Fee Available		\$2,040,000
UPF.26-01: Contractor Declaration of Readiness to Proceed	FY30 Q1	\$0
UPF.27-01: Contractor Completion	FY30 Q3	\$0
FY 2030 UPF Schedule Objective Fee Available		\$0

UPF FY25 - FY30 ANNEX

Activity Number:	UPF.06-01																																																							
Activity Name:	Complete Q1 Construction Turnovers to Startup																																																							
Due Date:	FY 2025/Q1																																																							
Fee Amount:	\$1,200,000 (\$1,200,000 Provisional on signing when requested)																																																							
Owner:	Michael Pearson, James Barnard, and Alf Nuzzolo																																																							
Contract Performance Outcome: Complete cumulative total of Construction to Startup turnovers listed below. Punchlist items, systems inspections, walkdowns, and turnover actions shall be performed and documented in accordance with Y15-95-912, <i>UPF Completion and Turnover</i> . For this milestone, consideration is being given for the non-critical system turnovers that have occurred earlier than were baselined to turnover in FY 2025.																																																								
Background/Justification: FY25 system turnovers are required to support the startup testing assumptions, which will drive the UPF schedule post energization in FY25. <u>Critical System turnovers are defined as:</u> Construction to Startup turnover activities that shall be accomplished this Quarter, considering float defined within the approved baseline schedule, in order to not extend the project deterministic end date. <u>Non-Critical System turnovers are defined as:</u> Construction to Startup turnover activities baselined to complete this Quarter with large enough float values that delay in completion, during this FY, will not push the project deterministic end date.																																																								
P6 Activity ID: Q1 Critical System turnovers: None. Q1 Non-Critical System turnovers: <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 10px;"> <tr><td>STSLVBT14</td><td>SAB - Approve / Accept Construction T/O Pkg</td><td>LVP-11</td></tr> <tr><td>STSFDR25</td><td>SAB - Approve / Accept Construction T/O Pkg</td><td>FDR-3</td></tr> <tr><td>STMFST25</td><td>MPB - Approve / Accept Construction T/O Pkg</td><td>FS-2</td></tr> <tr><td>STSLPST25</td><td>SAB - Approve / Accept Construction T/O Pkg</td><td>LPS-3</td></tr> <tr><td>STSLVBT29</td><td>SAB - Approve / Accept Construction T/O Pkg</td><td>LVP-15</td></tr> <tr><td>STMLVMT159</td><td>MPB - Approve / Accept Construction T/O Pkg</td><td>LVP-7</td></tr> <tr><td>STMLVMT199</td><td>MPB - Approve / Accept Construction T/O Pkg</td><td>LVP-8</td></tr> <tr><td>STSMWST11</td><td>SAB - Approve / Accept Construction T/O Pkg</td><td>MW-2</td></tr> <tr><td>STSMWBT25</td><td>SAB - Approve / Accept Construction T/O Pkg</td><td>MWD-1</td></tr> <tr><td>STMPMMT25</td><td>MPB - Approve / Accept Construction T/O Pkg</td><td>PMCS-6</td></tr> <tr><td>STSPBBT25</td><td>SAB - Approve / Accept Construction T/O Pkg</td><td>PMCS-7</td></tr> <tr><td>STYUNMT207</td><td>Yard - Approve / Accept Construction T/O Pkg</td><td>UTN-8</td></tr> <tr><td>STSLVBT22</td><td>SAB - Approve / Accept Construction T/O Pkg</td><td>LVP-13</td></tr> <tr><td>STSYABT18</td><td>SAB - Approve / Accept Construction T/O Pkg</td><td>YA-12</td></tr> <tr><td>STYSWMT147</td><td>Yard - Approve / Accept Construction T/O Pkg</td><td>SW-2 (TR 24-030)</td></tr> <tr><td>STMYAMT149</td><td>MPB - Approve / Accept Construction T/O Pkg</td><td>YA-15</td></tr> <tr><td>STMYAMT229</td><td>MPB - Approve / Accept Construction T/O Pkg</td><td>YA-4</td></tr> <tr><td>STPSSWT25</td><td>PSB - Approve / Accept Construction T/O Pkg</td><td>SSW-7</td></tr> </table>			STSLVBT14	SAB - Approve / Accept Construction T/O Pkg	LVP-11	STSFDR25	SAB - Approve / Accept Construction T/O Pkg	FDR-3	STMFST25	MPB - Approve / Accept Construction T/O Pkg	FS-2	STSLPST25	SAB - Approve / Accept Construction T/O Pkg	LPS-3	STSLVBT29	SAB - Approve / Accept Construction T/O Pkg	LVP-15	STMLVMT159	MPB - Approve / Accept Construction T/O Pkg	LVP-7	STMLVMT199	MPB - Approve / Accept Construction T/O Pkg	LVP-8	STSMWST11	SAB - Approve / Accept Construction T/O Pkg	MW-2	STSMWBT25	SAB - Approve / Accept Construction T/O Pkg	MWD-1	STMPMMT25	MPB - Approve / Accept Construction T/O Pkg	PMCS-6	STSPBBT25	SAB - Approve / Accept Construction T/O Pkg	PMCS-7	STYUNMT207	Yard - Approve / Accept Construction T/O Pkg	UTN-8	STSLVBT22	SAB - Approve / Accept Construction T/O Pkg	LVP-13	STSYABT18	SAB - Approve / Accept Construction T/O Pkg	YA-12	STYSWMT147	Yard - Approve / Accept Construction T/O Pkg	SW-2 (TR 24-030)	STMYAMT149	MPB - Approve / Accept Construction T/O Pkg	YA-15	STMYAMT229	MPB - Approve / Accept Construction T/O Pkg	YA-4	STPSSWT25	PSB - Approve / Accept Construction T/O Pkg	SSW-7
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UPF FY25 - FY30 ANNEX

Notes:

Non-critical systems/boundaries may be rescoped as required to progress overall system testing and turnover to Commissioning. However, any systems/boundaries that need to be revised after milestone acceptance, shall require CCO notification and approval, and shall be memorialized in the evidence package. Provisional fee for Q1 will be eligible to be converted to earned fee based on Contractor's request and demonstrated progress of completing cumulative and critical system turnovers in Q2, Q3, and Q4.

Acceptance Criteria:

Turnover packages shall be provided as evidence documenting the completed scope. The Contractor shall identify construction scope by applicable Construction Turnover Packages (per Y15-95-912, *UPF Completion and Turnover*), associated inspection records and documented status of each (open, closed and pending). A summary of all completed scope, including the basis for the documentation demonstrating successful completion of the milestone scope shall be provided. No punchlist "A" items, and any punchlist "B" items shall be reviewed by CCO.

Startup accepts system in accordance with Y15-95-912, and system will support downstream testing activities.

	FY25 Q1	FY25 Q2	FY25 Q3	FY25 Q4
Quarterly Critical Systems	0	8	2	11
Cumulative Critical System Count	0	8	10	21
Quarterly Non-Critical System Count	18	6	21	36
Cumulative Non-Critical System Count	18	24	45	81
Quarterly Total System Count	18	14	23	47
Cumulative Total System Count	18	32	55	102

Exclusions:

N/A.

Assumptions:

None.

UPF FY25 - FY30 ANNEX

Activity Number:	UPF.06-02
Activity Name:	Complete Confirmation of 113 of the 225 To-go DACs.
Due Date:	FY 2025/Q1
Fee Amount:	\$800,000
Owner:	Michael Pearson and Roy Schepens
Contract Performance Outcome: Complete 113 of 225 remaining baseline confirmation DACs by the end of Q1 FY2025.	
Background/Justification: Confirming DACs reduces risk of change by addressing assumptions with confirmed vendor data. This is in support of construction completion and turnover to startup. Previous DAC Confirmations have been reprioritized to support unplanned NCR's / FCD's, which have impacted turnovers.	
P6 Activity ID: N/A. To accommodate flexibility to pull any systems forward in support of construction early turnover.	
Notes: Monitoring of DAC progress will be performed through the currently established drawdown curve with official submittal through Infoworks.	
Acceptance Criteria: Only DACs that have been fully signed off will be tracked on the drawdown curve for final count.	
Exclusions: Electrical DACs shall not be deferred.	
Assumptions: DAC Confirmations will be worked off per the re-baseline schedule. However, Construction acceleration may require reprioritization of baselined DACs to support turnover efforts. CCO shall be notified and concur on any reprioritization and replacement DAC's for the 113 DACs to be completed by end of Q1 FY 2025.	

UPF FY25 - FY30 ANNEX

Activity Number:	UPF.07-01	
Activity Name:	Complete Q2 Construction Turnovers to Startup	
Due Date:	FY 2025/Q2	
Fee Amount:	\$1,800,000	
Owner:	Michael Pearson, James Barnard, and Alf Nuzzolo	
Contract Performance Outcome: Complete cumulative total of Construction to Startup turnovers listed below. Punchlist items, systems inspections, walkdowns, and turnover actions shall be performed and documented in accordance with Y15-95-912, <i>UPF Completion and Turnover</i> .		
Background/Justification: FY25 system turnovers are required to support the startup testing assumptions, which will drive the UPF schedule post energization in FY25. <u>Critical System turnovers are defined as:</u> Construction to Startup turnover activities that shall be accomplished this Quarter, considering float defined within the approved baseline schedule, in order to not extend the project deterministic end date. <u>Non-Critical System turnovers are defined as:</u> Construction to Startup turnover activities baselined to complete this Quarter with large enough float values that delay in completion, during this FY, will not push the project deterministic end date.		
P6 Activity ID:		
Q2 Critical System Turnovers:		
STSYABT07	SAB - Approve / Accept Construction T/O Pkg	YA-3
STMFMMT25	MPB - Approve / Accept Construction T/O Pkg	FMCS-2
STMLVMT289	MPB - Approve / Accept Construction T/O Pkg	LVP-27
STMLVMT839	MPB - Approve / Accept Construction T/O Pkg	LVP-28
STMLVMT389	MPB - Approve / Accept Construction T/O Pkg	LVP-29
STMLVMT100	MPB - Approve / Accept Construction T/O Pkg	LVP-30
STMLVMT114	MPB - Approve / Accept Construction T/O Pkg	LVP-31
STMLVMT116	MPB - Approve / Accept Construction T/O Pkg	LVP-32
Q2 Non-Critical System Turnovers:		
STSSEBT25	SAB - Approve / Accept Construction T/O Pkg	SSEW-5
STFMCST25	FTP - Approve / Accept Construction T/O Pkg	FMCS-8
STMDR5T25	MPB - Approve / Accept Construction T/O Pkg	DR-5
STMW16T25	MPB - Approve / Accept Construction T/O Pkg	WPS16-2
STSLVBT26	SAB - Approve / Accept Construction T/O Pkg	LVP-14
STPSSEWT25	PSB - Approve / Accept Construction T/O Pkg	SSEW-4
Notes: Non-critical systems/boundaries may be rescoped as required to progress overall system testing and turnover to Commissioning. However, any systems/boundaries that need to be revised after milestone acceptance, shall require CCO notification and approval, and shall be memorialized in the evidence package. Provisional fee from Q1 will be eligible to be converted to earned fee based on Contractor's request and demonstrated progress of completing 32 cumulative (8 critical system) turnovers by Q2, and progress towards Q3 and Q4.		

UPF FY25 - FY30 ANNEX

Acceptance Criteria:

Turnover packages shall be provided as evidence documenting the completed scope. The Contractor shall identify construction scope by applicable Construction Turnover Packages (per Y15-95-912, *UPF Completion and Turnover*), associated inspection records and documented status of each (open, closed and pending). A summary of all completed scope, including the basis for the documentation demonstrating successful completion of the milestone scope shall be provided. No punchlist “A” items, and any punchlist “B” items shall be reviewed by CCO

Startup accepts system in accordance with Y15-95-912, and system will support downstream testing activities.

	FY25 Q1	FY25 Q2	FY25 Q3	FY25 Q4
Quarterly Critical Systems	0	8	2	11
Cumulative Critical System Count	0	8	10	21
Quarterly Non-Critical System Count	18	6	21	36
Cumulative Non-Critical System Count	18	24	45	81
Quarterly Total System Count	18	14	23	47
Cumulative Total System Count	18	32	55	102

Exclusions:

N/A.

Assumptions:

None.

UPF FY25 - FY30 ANNEX

Activity Number:	UPF.07-02
Activity Name:	Alternate PIDAS Operational
Due Date:	FY 2025/Q2
Fee Amount:	\$1,100,000
Owner:	Michael Pearson and James Barnard
Contract Performance Outcome: Complete Alternate UPF PIDAS consistent with the conceptual design detailed within COT-NNSA-UPO-PM-801768-A951; performance testing and security burn-in of the Alternate UPF PIDAS Zones 61A/61B & 62A (protecting assets).	
Background/Justification: Low float path for MPB/Yard, which allows for the demolition of the existing PIDAS fencing Zones 61 & 62, and execution of the HCON Phase 3 tunnel's civil/structural scope and follow-on scope.	
P6 Activity ID: SPIDASE645 "PIDAS Phase 2 - Alternate UPF PIDAS - Alarm Testing and Burn-In Testing"	
Notes: N/A	
Acceptance Criteria: Construction of the alternate PIDAS consistent with the conceptual design detailed within COT-NNSA-UPO-PM-801768-A951. Successful completion (issues have been resolved as agreed upon by YFO/APMO) of performance testing and burn-in testing.	
Exclusions: N/A.	
Assumptions: Delays to burn-in testing (not caused by alternate PIDAS performance issues) will not count against the contractor as long as the agreed upon alternate PIDAS construction scope is complete, performance testing is successful (issues have been resolved as agreed upon by YFO/APMO), and a request to start burn-in was made to the ODFSA by 2/3/25 (Basis for 2/3/25 date: baseline burn-in end date (2/12/25) plus 19 days float which equates to a 3/11/25 date. Allow 30 calendar days for burn-in testing and 5 working days for ODFSA to give approval to start burn-in).	

UPF FY25 - FY30 ANNEX

Activity Number:	UPF.08-01	
Activity Name:	Complete Q3 Construction Turnovers to Startup	
Due Date:	FY 2025/Q3	
Fee Amount:	\$2,500,000	
Owner:	Michael Pearson, James Barnard, and Alf Nuzzolo	
Contract Performance Outcome: Complete cumulative total of Construction to Startup turnovers listed below. Punchlist items, systems inspections, walkdowns, and turnover actions shall be performed and documented in accordance with Y15-95-912, <i>UPF Completion and Turnover</i> .		
Background/Justification: FY25 system turnovers are required to support the startup testing assumptions, which will drive the UPF schedule post energization in FY25. <u>Critical System turnovers are defined as:</u> Construction to Startup turnover activities that shall be accomplished this Quarter, considering float defined within the approved baseline schedule, in order to not extend the project deterministic end date. <u>Non-Critical System turnovers are defined as:</u> Construction to Startup turnover activities baselined to complete this Quarter with large enough float values that delay in completion, during this FY, will not push the project deterministic end date.		
P6 Activity ID:		
Q3 Critical System Turnovers:		
STSYABT11	SAB - Approve / Accept Construction T/O Pkg	YA-10
STSYABT14	SAB - Approve / Accept Construction T/O Pkg	YA-11
Q3 Non-Critical System Turnovers:		
STPYASTT25	PSB - Approve / Accept Construction T/O Pkg	YA-9
STSF2T25	SAB - Approve / Accept Construction T/O Pkg	FWD01-2
STPFMCST25	PSB - Approve / Accept Construction T/O Pkg	FMCS-5
STSNFCT25	SAB - Approve / Accept Construction T/O Pkg	CMREC.NFC-1
STFFDRT25	FTP - Approve / Accept Construction T/O Pkg	FDR-2
STFHVAT25	FTP - Approve / Accept Construction T/O Pkg	HVANC-1
STSLFBT25	SAB - Approve / Accept Construction T/O Pkg	LIFT-2
STFELST25	FTP - Approve / Accept Construction T/O Pkg	ELS-2
STMW13T25	MPB - Approve / Accept Construction T/O Pkg	WPS13-2
STSYASFT25	SAB - Approve / Accept Construction T/O Pkg	YAF-2
STFLTGT25	FTP - Approve / Accept Construction T/O Pkg	LTG-2
STDLTGT25	SDG - Approve / Accept Construction T/O Pkg	LTG-10
STSBCT25	SAB - Approve / Accept Construction T/O Pkg	BCS-1
STSPAST117	SAB - Approve / Accept Construction T/O Pkg	PAS01-1
STSAST25	SAB - Approve / Accept Construction T/O Pkg	AS-1
STSCHST25	SAB - Approve / Accept Construction T/O Pkg	CMREC.CHS-1
STSNNT25	SAB - Approve / Accept Construction T/O Pkg	NN-1
STSW07T25	SAB - Approve / Accept Construction T/O Pkg	WPS07-1
STSW08T25	PSB - Approve / Accept Construction T/O Pkg	WPS08-1
STSFMT25	SAB - Approve / Accept Construction T/O Pkg	FMCS-3

UPF FY25 - FY30 ANNEX

STMW10T25	MPB - Approve / Accept Construction T/O Pkg	WPS10-2

Notes:
Non-critical systems/boundaries may be rescoped as required to progress overall system testing and turnover to Commissioning. However, any systems/boundaries that need to be revised after milestone acceptance, shall require CCO notification and approval, and shall be memorialized in the evidence package. Any provisional fee balance from Q1 will be eligible to be converted to earned fee based on Contractor’s request and demonstrated progress of completing 55 cumulative (10 critical system) turnovers by Q3, and progress towards Q4.

Acceptance Criteria:
Turnover packages shall be provided as evidence documenting the completed scope. The Contractor shall identify construction scope by applicable Construction Turnover Packages (per Y15-95-912, *UPF Completion and Turnover*), associated inspection records and documented status of each (open, closed and pending). A summary of all completed scope, including the basis for the documentation demonstrating successful completion of the milestone scope shall be provided. No punchlist “A” items, and any punchlist “B” items shall be reviewed by CCO

Startup accepts system in accordance with Y15-95-912, and system will support downstream testing activities.

	FY25 Q1	FY25 Q2	FY25 Q3	FY25 Q4
Quarterly Critical Systems	0	8	2	11
Cumulative Critical System Count	0	8	10	21
Quarterly Non-Critical System Count	18	6	21	36
Cumulative Non-Critical System Count	18	24	45	81
Quarterly Total System Count	18	14	23	47
Cumulative Total System Count	18	32	55	102

Exclusions:
N/A.

Assumptions:
None.

UPF FY25 - FY30 ANNEX

Activity Number:	UPF.08-02
Activity Name:	MEX LO Furnace – FAT Testing
Due Date:	FY 2025/Q3
Fee Amount:	\$1,100,000
Owner:	Michael Pearson, Jim LaForest, and Roy Schepens
Contract Performance Outcome: The FAT will be witnessed by Contractor representatives and conducted on a fully assembled system with all utility, hardware and software interfaces installed and functional. The FAT will demonstrate equipment compliance with the acceptance criteria defined in the FAT Plan. Upon conclusion of the FAT, the MEX LO furnace will undergo disassembly, packaging, and final documentation review in preparation for shipment to the jobsite.	
Background/Justification: The MEX Furnaces continue to be on or near the project critical path. A successful FAT on the MEX LO furnace would increase the confidence of a successful MEX HI FAT furnace since the MEX HI operating modes fall within the envelope of the more complex operating modes of MEX LO.	
P6 Activity ID: MEXL330FT2 “VEN-P3-0330 MEX LO Furnace – FAT Testing”	
Notes: N/A	
Acceptance Criteria: Demonstrate the equipment meets or exceeds the performance requirements contained in the technical specifications by completing the activities defined in the FAT plan, record the FAT results with Contractor concurrence, and submit the FAT report for Contractor approval.	
Exclusions: Code 1 FAT Report – The approval of the FAT report is tracked under schedule activity MEXL330QV4 (Review of QVD). The FAT Report can take several weeks after the conclusion of testing to be returned Code 1. This is largely an administrative effort to compile the FAT results into a report, conduct an internal review with the Engineer of Record and then submit for Contractor review/approval. It is typical for a FAT report to be revised and resubmitted more than once to ensure all required information is appropriately documented and referenced in the report, including data logs, checklists, signoffs and other attachments.	
Assumptions: None.	

UPF FY25 - FY30 ANNEX

Activity Number:	UPF.09-01	
Activity Name:	Complete Q4 Construction Turnovers to Startup	
Due Date:	FY 2025/Q4	
Fee Amount:	\$3,580,000	
Owner:	Michael Pearson, James Barnard, and Alf Nuzzolo	
Contract Performance Outcome: Complete cumulative total of Construction to Startup turnovers listed below. Punchlist items, systems inspections, walkdowns, and turnover actions shall be performed and documented in accordance with Y15-95-912, <i>UPF Completion and Turnover</i> .		
Background/Justification: FY25 system turnovers are required to support the startup testing assumptions, which will drive the UPF schedule post energization in FY25.		
<u>Critical System turnovers are defined as:</u> Construction to Startup turnover activities that shall be accomplished this Quarter, considering float defined within the approved baseline schedule, in order to not extend the project deterministic end date.		
<u>Non-Critical System turnovers are defined as:</u> Construction to Startup turnover activities baselined to complete this Quarter with large enough float values that delay in completion, during this FY, will not push the project deterministic end date.		
P6 Activity ID:		
Q4 Critical System Turnovers:		
STSLVBT37	SAB - Approve / Accept Construction T/O Pkg	LVP-17
STFLVPTT25	FTP - Approve / Accept Construction T/O Pkg	LVP-5
STSLVBT07	SAB - Approve / Accept Construction T/O Pkg	LVP-6
STSLVBT11	SAB - Approve / Accept Construction T/O Pkg	LVP-9
STSLVBT33	SAB - Approve / Accept Construction T/O Pkg	LVP-16
STSLVBT41	SAB - Approve / Accept Construction T/O Pkg	LVP-18
STSLVBT48	SAB - Approve / Accept Construction T/O Pkg	LVP-20
STPLVPTT27	PSB - Approve / Accept Construction T/O Pkg	LVP-26
STPLVPTT26	PSB - Approve / Accept Construction T/O Pkg	LVP-10
STSLVBT18	SAB - Approve / Accept Construction T/O Pkg	LVP-12
STSLVBT44	SAB - Approve / Accept Construction T/O Pkg	LVP-19
Q4 Non-Critical System Turnovers:		
STPHVUT25	PSB - Approve / Accept Construction T/O Pkg	HVUF-19
STPSECST25	PSB - Approve / Accept Construction T/O Pkg	SEC.SECAS-2
STMW11T25	MPB - Approve / Accept Construction T/O Pkg	WPS11-2
STSFLMT25	SAB - Approve / Accept Construction T/O Pkg	FLM-1
CPSBFLM25	PSB - Approve / Accept Construction T/O Pkg	FLM-2
STSW06T25	SAB - Approve / Accept Construction T/O Pkg	WPS06-1
STMW18T25	MPB - Approve / Accept Construction T/O Pkg	WPS18-2
STFW20T25	FTP - Approve / Accept Construction T/O Pkg	WPS20-1
STMW15T25	MPB - Approve / Accept Construction T/O Pkg	WPS15-2
STMYAMT119	MPB - Approve / Accept Construction T/O Pkg	YA-18
STMAST25	MPB - Approve / Accept Construction T/O Pkg	AS-2

UPF FY25 - FY30 ANNEX

STFW09T30	FTP - Approve / Accept Construction T/O Pkg	WPS09-1
STSCWST07	SAB - Approve / Accept Construction T/O Pkg	CW-3
STSCWST11	SAB - Approve / Accept Construction T/O Pkg	CW-5
STSCWST29	SAB - Approve / Accept Construction T/O Pkg	CW-10
STSCWST33	SAB - Approve / Accept Construction T/O Pkg	CW-11
STSCWST37	SAB - Approve / Accept Construction T/O Pkg	CW-12
STNFP1T25	FTP - Approve / Accept Construction T/O Pkg	FWP01-1
STFW11T25	FTP - Approve / Accept Construction T/O Pkg	WPS11-1
STFW13T25	FTP - Approve / Accept Construction T/O Pkg	WPS13-1
STFW14T25	FTP - Approve / Accept Construction T/O Pkg	WPS14-1
STSSBT25	SAB - Approve / Accept Construction T/O Pkg	SSW-2
STIPIDT116	MPB - Approve / Accept Construction T/O Pkg	PIDAS-1
STMW17T25	MPB - Approve / Accept Construction T/O Pkg	WPS17-2
STSW05T25	SAB - Approve / Accept Construction T/O Pkg	WPS05-1
STFDORT25	FTP - Approve / Accept Construction T/O Pkg	DOORS-2
STMFW1T25	FTP - Approve / Accept Construction T/O Pkg	FWD01-1
STSNDAT25	SAB - Approve / Accept Construction T/O Pkg	CMREC.NDA-1
STFW16T25	FTP - Approve / Accept Construction T/O Pkg	WPS16-1
STMW19T25	MPB - Approve / Accept Construction T/O Pkg	WPS19-2
STPHVOT25	PSB - Approve / Accept Construction T/O Pkg	HVOAS-3
STFW10T30	FTP - Approve / Accept Construction T/O Pkg	WPS10-1
STMYAMT189	MPB - Approve / Accept Construction T/O Pkg	YA-16
STMCTMT11	MPB - Approve / Accept Construction T/O Pkg	CTN-5
STSCWST14	SAB - Approve / Accept Construction T/O Pkg	CW-6
STSVIDUT25	SAB - Approve / Accept Construction T/O Pkg	SEC.YVIDU-5

Notes:
Non-critical systems/boundaries may be rescoped as required to progress overall system testing and turnover to Commissioning. However, any systems/boundaries that need to be revised after milestone acceptance, shall require CCO notification and approval, and shall be memorialized in the evidence package. Any provisional fee balance from Q1 will be fully earned based on Contractor's request and successful completion of 102 cumulative (21 critical system) turnovers by Q4.

UPF FY25 - FY30 ANNEX

Acceptance Criteria:

Turnover packages shall be provided as evidence documenting the completed scope. The Contractor shall identify construction scope by applicable Construction Turnover Packages (per Y15-95-912, *UPF Completion and Turnover*), associated inspection records and documented status of each (open, closed and pending). A summary of all completed scope, including the basis for the documentation demonstrating successful completion of the milestone scope shall be provided. No punchlist “A” items, and any punchlist “B” items shall be reviewed by CCO. Startup accepts system in accordance with Y15-95-912, and system will support downstream testing activities.

	FY25 Q1	FY25 Q2	FY25 Q3	FY25 Q4
Quarterly Critical Systems	0	8	2	11
Cumulative Critical System Count	0	8	10	21
Quarterly Non-Critical System Count	18	6	21	36
Cumulative Non-Critical System Count	18	24	45	81
Quarterly Total System Count	18	14	23	47
Cumulative Total System Count	18	32	55	102

Exclusions:

N/A.

Assumptions:

None.

Activity Number: UPF.09-02

Activity Name: MPB LVP Component and System Testing Complete

Due Date: FY 2025/Q4

Fee Amount: \$1,100,000

Owner: Michael Pearson and James Barnard

Contract Performance Outcome:

The testing for the Low Voltage Power (LVP) in the MPB will demonstrate performance testing as defined in the system verification matrices. The testing will include the energization of switchgears, transformers, power distribution panels and all other components of the LVP systems in MPB and verifying output voltage and uninterruptible power supply (UPS) performance to ensure that the system meets the required parameters.

Background/Justification:

The majority of MPB systems run on LVP, and completion of this Activity will ensure power is available to support downstream testing of those systems in the MPB.

P6 Activity ID:

STMLVMT55 “MPB - Approve Test Results – LVP”

Notes:

N/A

UPF FY25 - FY30 ANNEX

Acceptance Criteria:

Approved functional test results (without exception) following the demonstration of adequate voltage output and UPS performance as documented in the SVP-RM-801768-A004, *Low Voltage Power (LVP) System Verification Matrix* and RP-EE-801768-A036, *UPF Functional Testing Report for the Electrical Systems*. System shall be energized and ready to support downstream testing.

Exclusions:

Testing of Power Monitoring Control System (PMCS) is excluded and will be demonstrated under the PMCS system test. Testing does not include downstream loads from distribution panels.

Assumptions:

None.

UPF FY25 - FY30 ANNEX

Activity Number:	UPF.09-03
Activity Name:	SAB YA System Testing Complete
Due Date:	FY 2025/Q4
Fee Amount:	\$1,100,000
Owner:	Michael Pearson and James Barnard
Contract Performance Outcome: The Functional Test Instruction (FTI) for Instrument Air (YA) System in the Salvage Accountability Building (SAB) describes necessary testing requirements for equipment scoped into systems YA-3, YA-10, YA-11 and YA-12. Performing this FTI will demonstrate the system capability of providing instrument air thru the distribution headers to all end users at the required air pressure.	
Background/Justification: Instrument air is required for component testing of many systems. The SAB YA system also feeds and supports PSB and MPB West equipment.	
P6 Activity ID: STSYABT55 “SAB - Approve Test Results – YA”	
Notes: N/A	
Acceptance Criteria: Approved functional test results (without exception) demonstrating instrument air control and performance as documented in the SVP-RM-801768-A118, <i>Instrument Air (YA) System Verification Matrix</i> and RP-EP-801768-A020, <i>UPF Functional Testing Report for the Mechanical Utilities Systems</i> .	
Exclusions: It is only to the scoped YA system boundaries and does not include tubing to equipment in downstream scoped systems.	
Assumptions: None.	

NOTE: FY26-FY30 schedule milestones will be defined and finalized in a future Contract modification.

End of Schedule Objective Milestones

End of UPF FY25 – FY30 Annex

UPF SMART STRETCH GOALS

This plan includes goals intended to incentivize the Contractor to deliver all remaining UPF scope [Main Processing Facility Building (MPB), Salvage & Accountability Building (SAB), and Process Support Facilities (PSF) subprojects] ahead of the approved baseline schedule.

All other provisions, terms and conditions of the Contract, including UPF Fee Plan/Annexes, shall continue to apply (Part III, Section J, Appendix B, B-2), unless modified by Contract modification. Notwithstanding the foregoing, any ability to earn fee under the Settlement Agreement dated September 30, 2022, is extinguished and this document represents the sole method by which the Contractor may earn fee for the completion of UPF after the date of execution of this Fee Plan.

Stretch Goal fee requests shall be submitted as follows:

- a. The Contractor shall schedule a briefing with the UPF Subproject FPD and CCO prior to development of a fee request package. Formal documentation of the briefing shall be produced by the Contractor including UPF Subproject FPD and CCO comments on said document for FDO review and approval.
- b. Contractor shall submit transmittal letter that provides clear directions and permissions for accessing and reviewing objective completion evidence. Fee requests that do not contain sufficient navigation instructions shall not be evaluated.
- c. The Contractor shall schedule, a minimum of 5 days in advance, a walk down of completed work scope with the UPF Subproject FPD and CCO prior to development of a fee request package.

UPF SMART STRETCH GOALS

Stretch Goal:	SG.01
Goal Name:	UPF PROJECT CONSTRUCTION AND TESTING COMPLETE
Due Date:	December 31, 2027
Fee Amount:	\$34,000,000
Erosion Period:	March 30, 2028 (90 calendar days)
Erosion Value:	\$282,353/day 1/1/2028 – 3/8/2028 and \$672,727/day 03/9/2028 – 3/30/2028
Cost Objective:	In order for the Contractor to earn any fee in completing this stretch goal the following conditions must be achieved: • The actual cost of work performed (i.e., ACWP), as that term is defined in certified EVMS system, inclusive of accruals and estimated actuals for all elements of the project minus federal cost and existing fee, as contained in the certified Earned Value system of record shall be equal to or less than the cost objective value of \$8.480B. • The ACWP in the period of achievement, will be prorated through the date of achievement of the milestone. The proration shall occur on the number of days in a period. For example, if the achievement date is January 15, 2028, that date is 20 days into a 28-day period or 71.4% of the ACWP. • The accounts listed as “SG2” in Appendix 1 will be excluded from both ACWP and the cost objective value for this calculation. • The cost objective value is the total PMB value minus the PMB value for the accounts listed as “SG2” in Appendix 1, plus \$236M of Management Reserve encumbrance. • Any change to scope in the accounts (including discipline coding) listed in Appendix 1 shall be controlled via the certified earned value system description change control process. The Contractor’s failure to achieve the cost objective criteria constitutes a 100% forfeiture of unearned stretch goal fee for circumstances directly attributable to Contractor performance, except for DEAR 970.5243-1, <i>Changes</i>, FAR 52.249-14 <i>Excusable Delays</i>, or FAR 52.232-18 <i>Availability of Funds</i>.
Other Conditions	• The Contractor shall be responsible for managing to the approved funding profile, and immediately report any issues that may impact achieving this stretch goal. • There is no guaranteed Stretch Goal fee (i.e. base fee); 100% of this Stretch Goal fee is at risk. Additionally, NNSA retains the right to make changes to Award Fee Incentives as outlined in the Contract terms, such as B-2 Contract Fee Structures and B-8 UPF Fee Plan. • In the event that the Contract is not extended beyond 9/30/2027, NNSA in its sole discretion will evaluate the Contractor’s number of days away from UPF PROJECT CONSTRUCTION AND TESTING COMPLETE as of 9/30/2027. If the Contractor was on track to reach SG.01 by 12/31/2027, the same erosion schedule will be used (e.g., \$34M- \$282,353/day). Absent the NNSA determination that 100% of SG.01 scope would have been achieved by 3/30/2028, no SG.01 fee shall be awarded.
Owner:	Michael Pearson, James Barnard, and Alf Nuzzolo

UPF SMART STRETCH GOALS

Contract Performance Outcome:

Construction is complete after all subsystems and systems have been turned over from Construction to Startup in the MPB, SAB, and the HEUMF Connector (HCON)

Testing is complete when all Component, System, and Integrated Testing have been successfully completed.

Background/Justification:

Completing UPF Project construction and testing on or ahead of schedule reduces the amount of extended hotel load, and future operational and mission risk is reduced by making good progress towards moving out of building 9212 sooner.

P6 Activity ID:

CSABXX999 – SAB Construction Complete
CMPBMXX999 – MPB Construction Complete
CHCONMOD99 – HCON Construction Complete
INTGTEST – UPF Integrated Testing Complete

Notes:

NNSA recognizes that documents and requirements change. However, for purposes of fee requests, the document and revision numbers listed in acceptance criteria are to communicate stretch goal completion expectations. Deviations or changes to any referenced documents shall be reviewed by the CCO.

Acceptance Criteria:

Completion evidence of this stretch goal shall be provided to the CCO and consist of a summary report which includes, at a minimum, a synopsis of all completed system turnover and testing scope, including the basis documentation which demonstrates successful completion of the stretch goal scope. NNSA reserves the right to request, review, and comment on select turnover packages and test results prior to CCO stretch goal acceptance.

Construction is complete after all subsystems and systems have been turned over from Construction to Startup in the MPB, SAB, and the HEUMF Connector (HCON). For each turnover, Construction shall provide the required documents to Startup in accordance with ML-PS-801768-A006 rev. 03, *Uranium Processing Facility Project Turnover Deliverables List*. Each subsystem turnover is complete after Startup reviews and accepts each subsystem. No punchlist “A” items in the turnover packages, and any punchlist “B” items at turnover shall be reviewed by CCO. System turnover is performed in accordance with Y15-95-912 rev. 05, *UPF Completion and Turnover*.

Testing is complete when all Component, System, and Integrated Testing have been successfully completed in accordance with MNL-SU-801768-A001 rev. 05, *UPF Startup Test Program Manual*. Any test deficiencies shall be reviewed by the CCO.

At the time of this stretch goal achievement declaration, completed and approved test results shall be provided for the following Integrated Test Activities:

STMNNMT65	MPB - Perform Integrated Test w/OPS	NN-2 (Group 2)
STMNHT65	MPB - Perform Integrated Test w/OPS	NH-2 (Group 2)
STMOMPT65	MPB - Perform Integrated Test w/OPS	SOX.OMP (Group 6)
STMVAT65	MPB - Perform Integrated Test w/OPS	CST.VA (Group 6)
STMKO2T65	MPB - Perform Integrated Test w/OPS	CST.KO2 (Group 5)
STMTPT65	MPB - Perform Integrated Test w/OPS	CST.TPS (Group 5)
STSFRT65	MPB - Perform Integrated Test w/OPS	CMREC.FRN-1 (Group 3)
STMNAMT65	MPB - Perform Integrated Test w/OPS	NA-2 (Group 2)
STMARCT65	MPB - Perform Integrated Test w/OPS	CST.ARC-1 (Group 6)

UPF SMART STRETCH GOALS

STMMC4T65	MPB - Perform Integrated Test w/OPS	CST.CAST4 (Group 5)
STSCALT65	SAB - Perform Integrated Test w/OPS	CMREC.CAL-1 (Group 4)
STSNDAT65	SAB - Perform Integrated Test w/OPS	CMREC.NDA-1 (Group 6)
STMMC3T65	MPB - Perform Integrated Test w/OPS	CST.CAST3 (Group 5)
STMBMUT65	MPB - Perform Integrated Test w/OPS	CST.BMU-1 (Group 5)
STMBAST65	MPB - Perform Integrated Test w/OPS	CST.BAS-1 (Group 4)
STMMXHT65	MPB - Perform Integrated Test w/OPS	CST.MEXHI (Group 6)
STMMC2T65	MPB - Perform Integrated Test w/OPS	CST.CAST2 (Group 5)
STMKO1T65	MPB - Perform Integrated Test w/OPS	CST.KO1 (Group 5)
STMSL1T65	MPB - Perform Integrated Test w/OPS	CST.SL1 (Group 5)
STMSMPT65	MPB - Perform Integrated Test w/OPS	SOX.SMP (Group 4)
STMMXLT65	MPB - Perform Integrated Test w/OPS	CST.MEXLO (Group 6)
STSREVT65	SAB - Perform Integrated Test w/OPS	CMREC.REV (Group 4)
STSWWT65	SAB - Perform Integrated Test w/OPS	CMREC.WW-1 (Group 6)
STMSAMT65	MPB - Perform Integrated Test w/OPS	CST.SAM (Group 4)
STMMC1T65	MPB - Perform Integrated Test w/OPS	CST.CAST1 (Group 5)
STMCRPT65	MPB - Perform Integrated Test w/OPS	CST.CRP (Group 4)
STMPKT65	MPB - Perform Integrated Test w/OPS	PK (Group 3)
Exclusions: <u>Excluded from Construction completion:</u> all scope related to CSB renovation activities (to include final connections to CNS for fiber etc.); construction support of post system turnover to startup (labor/materials associated with design changes, obsolescence, damage, or maintenance during startup); general service subcontract/direct hire for area repairs prior to turnover to operations; and post turnover site interface (SICD) related maintenance of systems. <u>Excluded from Testing completion:</u> • Turnovers of systems to the owner; and completion of any successor design/systems engineering related documentation (e.g. ECPs, procedures, training, validations, TECAMs, etc.). • Test Deficiencies not affecting test result approval that are transferred to the specific facility's tracking system for implementation of corrective actions in accordance with MNL-SU-801768-A001 "UPF BNI Startup Test Program". Test Deficiencies not affecting test result approval that are transferred to the specific facility's tracking system for implementation of corrective actions shall be reviewed by the CCO. • Integrated Test criteria approved by the Testing Review Board in addition to those documented in PL-PJ-801768-A030, Rev. 4 "Key Performance Parameter Verification Plan for the Uranium Processing Facility Main Processing Building, Salvage and Accountability Building, and Process Support Facility Subprojects". The additional criteria shall be reviewed by the CCO.		
Assumptions: PSF shall achieve CD-4 well in advance of this stretch goal date.		

UPF SMART STRETCH GOALS

Stretch Goal:	SG.02
Goal Name:	UPF IS READY FOR STARTUP AUTHORIZATION
Due Date:	December 31, 2029
Fee Amount:	\$43,000,000
Erosion Period:	March 31, 2030 (90 calendar days)
Erosion Value:	\$398,361/day 1/1/2030 – 3/2/2030 and \$644,828/day 03/3/2030 – 3/31/2030
Cost Objective:	In order for the Contractor to earn any fee in completing this stretch goal, the following must be achieved: - The actual cost of work performed (i.e. ACWP), inclusive of accruals and estimated actuals for all elements of the project minus federal cost and existing fee, as contained in the certified Earned Value system of record shall be equal to or less than the Cost Objective Value of \$9.451B inclusive of an allowance for up to \$125M encumbrance of NNSA Contingency. - The Contractor's failure to achieve the cost objective criteria constitutes a 100% forfeiture of unearned stretch goal fee for circumstances directly attributable to Contractor performance, except for DEAR 970.5243-1, <i>Changes</i>, FAR 52.249-14 <i>Excusable Delays</i>, or FAR 52.232-18 <i>Availability of Funds</i>.
Other Conditions	- The Contractor shall be responsible for managing to the approved funding profile, and immediately report any issues that may impact achieving this stretch goal. - There is no guaranteed Stretch Goal fee (i.e. base fee), 100% of this Stretch Goal fee is at risk. NNSA retains the right to make changes to Award Fee Incentives as outlined in the Contract terms, such as B-2 Contract Fee Structures and B-8 UPF Fee Plan. - In the event that the Contract is not extended beyond 9/30/2027, NNSA in its sole discretion will evaluate the Contractor's number of days away from UPF IS READY FOR STARTUP AUTHORIZATION as of 9/30/2027. If the Contractor was on track to reach SG.02 by 12/31/2029, the same erosion schedule will be used (e.g., \$43M- \$398,361/day). Absent the NNSA determination that 100% of SG.02 scope would have been achieved by 3/31/2030, no SG.02 fee shall be awarded.
Owner:	Michael Pearson and James Barnard
Contract Performance Outcome: Ensure UPF is ready for Startup Authorization per the criteria outlined below without exceeding the cost objective or compromising quality and ensuring progress of operational activities toward key performance parameter demonstrations. Formal UPF declaration of readiness will be performed in accordance with E-PROC-0049 and DOE O 425.1D. Prestart issues to Startup Authorization, assigned to the Contractor, from Contractor and Federal readiness reviews must be satisfactorily completed.	

UPF SMART STRETCH GOALS

Background/Justification: Completing the UPF Project on or ahead of schedule reduces the amount of extended hotel load, and future operational and mission risk is reduced by making good progress towards moving out of building 9212 sooner.
P6 Activity ID: NFACORR64 - SVT-I Contractor Management Submit Startup Authorization Letter
Notes: NNSA recognizes that documents and requirements change. However, for purposes of fee requests, the document and revision numbers listed in acceptance criteria are to communicate stretch goal completion expectations. Deviations or changes to any referenced documents shall be reviewed by the CCO.
Acceptance Criteria: CNS shall submit a Formal UPF Readiness to Proceed Memorandum in accordance with E-PROC-0049, rev 2 and DOE O 425.1D. Prestart issues to Startup Authorization, assigned to the Contractor, from Contractor and Federal readiness reviews must be satisfactorily completed.
Exclusions: NNSA requested updates to the SAA letter. NNSA's approval process to include downstream ESAAB activities; CNS costs for post-start items; project closeout timeline and costs; any scope determined by NNSA to be related to program/operations post CD-4.
Assumptions: None.

UPF SMART STRETCH GOALS

Appendix 1 - Commissioning Organization Costs

The cost buildup for SG1 excludes commissioning organizations costs. The project classified commissioning organizations as identified in the table below.

Organization	Description	Classification
EMS	Emergency Services	SG2
ESH OPC	Environmental, Safety, & Health - CNS	SG2
MSE	Mission Engineering	SG2
OPS	Operations	SG2
QTS	Quality Technical Services	SG2
RDS	Readiness	SG2
SEC	Security	SG2
MNT	Maintenance	SG2

After accounting for the noted exclusions, the project utilized the rebaseline for the MPB and SAB facilities and the PSF June 2024 Month End forecast schedule as the basis to calculate costs for the stretch goal duration, July 2024 through December 2027. The source of the costs came from the project's cost processor (Web EVM) and detailed the cost by organization at the control account level and PSIR work package level. The cost for each organization in the direct control accounts is the base cost. To avoid duplication, C1 costs are identified discretely above. This method simplifies tracking of cost by organization and eliminates the need for definitization of the applied C1 actual costs.

In calculating the objective value for the cost for December 2027, the project prorated cost from the January reporting period. The December 2027 fiscal reporting period ends on 12/26/27, with five December calendar days included in fiscal January. By prorating five of the nineteen working days from fiscal January, the project was able to determine the cost through the end of calendar 2027. Upon measuring SG01, the ACWP in the period of achievement, will be prorated through the date of achievement of the milestone.

The summation of these costs by organization level, the addition of the fiscal January 2028 prorated costs, and the inclusion of \$236M in management reserve is the basis for the SG1 target.

End of UPF SMART Stretch Goals

**FISCAL YEAR 2024
NNSA CAPITAL LINE-ITEM PROJECT
AWARD FEE PLAN/ANNEX**

**CONSOLIDATED NUCLEAR SECURITY, LLC
MANAGEMENT AND OPERATION OF THE Y-12 NATIONAL
SECURITY COMPLEX SITE**



**THE NATION'S
URANIUM PROCESSING FACILITY**

Contract Number: DE-NA0001942

Project Number: 06-D-141

Performance Evaluation Period: January 1, 2024 through September 30, 2024

John H. Platt II
UPF Project Director
Consolidated Nuclear Security, LLC

Date

Michael S. Pearson
Acting Director
Y-12 Acquisition & Project Management Office
National Nuclear Security Administration

Date

Scott S. Crawford
UPF Prime Contracts Manager
Consolidated Nuclear Security, LLC

Date

Michael C. Bocskovits
Construction Contracting Officer
Y-12 Acquisition & Project Management Office
National Nuclear Security Administration

Date

UPF FY 2024 AWARD FEE PLAN/ANNEX

APPROVALS

Fee Determination Official Approval:

[Redacted Signature]

James McConnell
Associate Principal Deputy Administrator, NA-3

Date

Concurrence:

[Redacted Signature]

William Quigley
Deputy Associate Administrator, NA-PAS-2
Senior Procurement Executive and Head of Contracting Activity

Date

[Redacted Signature]

Nicole Nelson-Jean
Associate Administrator for Infrastructure, NA-90-1

Date

UPF FY 2024 AWARD FEE PLAN/ANNEX

DOCUMENT REVISION HISTORY

Revision	Date	Change Description

UPF FY 2024 AWARD FEE PLAN/ANNEX

INTRODUCTION

The Y-12 National Security Complex (Y-12) is a site owned by the United States Government, under the custody of the Department of Energy (DOE)/National Nuclear Security Administration (NNSA) and is managed and operated by Consolidated Nuclear Security, LLC (CNS), herein referenced as “Contractor.”

This document contains two parts, the Fiscal Year (FY) 2024 Award Fee Plan (AFP) and Schedule Objective Fee Annex (Annex). The AFP is considered a stop-gap measure to incentivize the Contractor while NNSA evaluates and approves the Contractor’s rebaseline. NNSA approval of the Contractor’s Performance Measurement Baseline (PMB), final Annex fee structure, and Contract modification shall definitize the estimated cost and schedule to complete the UPF project.

The total available fee for FY 2024 is \$9,500,000, of which \$3,000,000 is Award Fee (Subjective Fee) as defined in the AFP, and \$6,500,000 is Schedule Objective Fee as defined in the Annex.

In accordance with Contract Line-Item Number (CLIN) 0002 of Contract Number DE-NA0001942, the Contractor shall provide personnel, equipment, materials, supplies and services, and otherwise do all things necessary for, or incident to effectively, efficiently, and safely ensure the completion of UPF. As such, the fee associated with CLIN 0002 is separate and severable from all other fee provisions set forth in the Contract. CLIN 0002 fee is earned in accordance with the Settlement Agreement entered into by NNSA and the Contractor, executed September 30, 2022 (Settlement Agreement). In order to achieve final outcomes, the Contractor must improve performance in meeting key mission objectives and support in addressing significant management challenges identified by NNSA. The AFP is intended to motivate the Contractor to address management challenges; AFP fee is provided by deducting \$3,000,000 from potential fee earned by the Contractor under the Settlement Agreement’s “Schedule Objective” potential provision of \$45,540,000. The remaining available Schedule Objective Fee with AFP and Annex consideration is \$36,040,000. The Cost Objective Fee remains \$25,060,000. The total available fee will be negotiated as part of the development of the final Annex fee structure for the period from FY25 through project completion, and incorporated into the estimated cost and schedule to complete the UPF project. However, in no event, shall the fee distributed from September 30, 2022, to UPF project completion exceed \$71,600,000, as set forth in the Settlement Agreement, unless the government agrees to a greater amount of total available fee through UPF project completion.

For the purposes of FY 2024, the AFP and Annex fee shall be 32% subjective and 68% objective, respectively.

The AFP will evaluate the Contractor’s performance through Subjective Evaluation Factors, and each factor will be measured against the criteria set forth in the AFP section. NNSA will objectively evaluate the Contractor’s schedule performance through Schedule Objective Fee Milestones which will be validated by Y-12 APMO against the Annex completion evidence that can be documented by the Contractor and verified by NNSA. The Y-12 APMO will be responsible for input into the AFP FDO evaluation and primarily responsible for verifying completion of the Annex schedule milestones. The FY 2024 Subjective and Objective fee determination will be made by the Fee Determining Official (FDO).

UPF FY 2024 AWARD FEE PLAN/ANNEX

PERFORMANCE RATING PROCESS **FOR SUBJECTIVE AND SCHEDULE OBJECTIVE FEE**

NNSA will oversee performance throughout the performance evaluation period and provide quarterly feedback, as required, to the Contractor highlighting accomplishments and issues. At the end of the performance evaluation period, an evaluation of the Contractor's fiscal year performance will be completed against the criteria in the AFP and Annex.

Sources used to support Subjective Fee and Schedule Objective Fee performance evaluation include, but are not limited to cost and schedule data, formal assessments, Contractor self-assessments, internal and external audits, inspections, walk-downs, program and project reviews, execution awareness activities, Contractor assurance systems, and completion evidence, etc.

NNSA will consider the Contractor's UPF Project end of year (EOY) self-assessment report in the performance evaluation for Subjective Fee. The Subjective Fee criteria will be evaluated in accordance with FAR 16.401(e)(3) yielding ratings of Excellent, Very Good, Good, Satisfactory, or Unsatisfactory. The overall rating and percentage of Subjective Fee earned will be based on the aggregate scoring of the subjective evaluation factors. It is expected that the Contractor's EOY Self-Assessment be supported by cost and schedule data from certified EVMS performance assurance activities including information from the Contractor's Quality Management System and Contractor's Assurance Systems.

Notwithstanding the overall strategic framework, any significant failure may impact the rating achieved that determines the Subjective Fee earned. Dollar values contained in the AFP for Subjective Fee are provided as guidelines for developing a recommendation of fee allocation to the FDO. Subjective Fee shall remain 100% at risk until earned. The final fee determination as to the amount of Subjective Fee earned is a unilateral determination made by the FDO. Fee may be reduced per contract Section B.9, DEAR 970.5216-3, *Conditional Payment of Fee, Profit, and Other Incentives – Facility Management Contracts (JAN 2004) ALTERNATE II [JAN 2004] [DEVIATION]*.

The Contractor may request a face-to-face meeting with the FDO to highlight its strategic performance with respect to the Subjective Fee criteria at the end of the performance evaluation period. This meeting must be requested within the first two weeks after the end of the period.

CHANGE CONTROL

The approved FY 2024 AFP and Annex shall be incorporated into the Contract by modification at Section J, Appendix B-2, *UPF Award Fee Plan/Annex*.

It is essential that a baseline of performance expectations with respect to Subjective Fee criteria are established at the beginning of the evaluation period to equitably measure performance, and that changes to the performance baseline are carefully managed. Unforeseen circumstances and/or changes in priorities may necessitate corresponding changes to the Subjective Fee Structure. Any changes, including modifications to or removal of any Subjective Fee criteria, requires concurrence by the NNSA Office of Infrastructure (NA-90) and the Senior Procurement Executive, and approval by the FDO prior to the Y-12 Acquisition and Project Management Office (Y-12 APMO)

UPF FY 2024 AWARD FEE PLAN/ANNEX

signatures. While recognizing the unilateral rights of NNSA as expressed in the Contract terms and conditions, bilateral changes are the preferred method of change whenever possible.

INTEGRATED BASELINE REVIEW

An Integrated Baseline Review (IBR) shall be required for any significant cost and schedule impacts to validate the technical content of the Performance Measurement Baseline (PMB) prior to NNSA approving a new baseline. Due to the magnitude of the Contractor's proposed rebaseline efforts, in keeping with the current, Contracting Officer approved Organizational Conflict of Interest Mitigation Plan, the Contractor shall use an independent third party to help validate the level 2 BCP, which will support an IBR led assessment between NNSA and the Contractor. The purpose of the IBR is to assess the adequacy of the PMB (scope, schedule, budget, resources and management processes) including identification of associated risks. The IBR, including any corrective actions, shall confirm that the UPF project is properly planned, can be executed, and a PMB can be established.

PROVISIONAL FEE

For FY 2024, provisional fee is suspended. NNSA reserves the right to implement the Master Annex provisional fee liquidation model after NNSA approves the Contractor's PMB.

UNEARNED FEE

The FY 2024 FDO final fee determination is final. There will be no ability for the Contractor to recover FY 2024 unearned fee. Schedule Object Milestones that miss the due date shall be considered unearned. Cost Objective fee is not part of the FY 2024 fee determination.

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SUBJECTIVE FEE STRUCTURE

Subjective Evaluation Factors, Weightings, and Fee Allocations

NNSA will evaluate the Contractor on any and/or all areas of performance within the integrated project and contract scope of work. A significant element of any fee evaluation shall be the Contractor's demonstrated performance in meeting or exceeding the performance standards below. The following are the subjective evaluation factors, which will be used as the basis for evaluation, and a summary table that identifies the associated weightings and fee allocations for each. Subsequent revisions to the Subjective Fee criteria in this AFP may revise the factors or associated weightings and fee allocations with proper notification to the Contractor of the changes and opportunity for Contractor input.

Subjective Performance Evaluation Factor	Weighting	Fee Allocation
1. Effective Interactions and Timely Responses	17%	\$ 500,000
2. Effective Integrated Project Management	8%	\$ 250,000
3. Execution within Cost Parameters	25%	\$ 750,000
4. Execution within Schedule Parameters	50%	\$1,500,000
UPF Total Subjective Fee Available	100 %	\$3,000,000

1. Effective Interactions and Timely Responses (Weighting: 17%)

The Contractor shall ensure project issues identified by NNSA and/or Contractor(s), particularly those affecting safety, security, quality, and project performance, are promptly, effectively, and transparently addressed. The Contractor shall respond to issues identified by NNSA, including but not limited to assessment issues, reviews, and awareness activities within requested timeframes. The Contractor shall notify the appropriate NNSA functional counterpart of Contractor identified issues and take appropriate project or contract actions to adequately address. The Contractor shall support NNSA in project related areas such as budget exercises, quarterly reviews, tours, etc.

The Contractors Primary Evidence for this Factor:

- Contractor Assurance System (CAS) Resolutions.
- UPF Nonconformance Reports (NCRs)/Field Change Documents (FCDs).
- Responsiveness to requests and meeting Contractor commitments.
- Contractor's Estimate at Completion (CEAC) and Spend Plans (obligations and expenditures) efforts that support budget cycle.

2. Effective Integrated Project Management (Weighting: 8%)

The Contractor shall sustain a fully integrated project organization focused on executing the UPF Capital Line-Item Project in accordance with the approved project performance baselines, work authorizations, and Contract. The Contractor shall perform and manage in a transparent and quality manner that applies effective cost controls and decisions to stay on schedule. This includes a right-sized integrated organization with personnel empowered to lead change within a disciplined conduct of project management utilizing project management systems, processes and procedures aligned with Department of Energy Order 413.3B, DOE/NNSA guides and industry standards. The Contractor's project management system, personnel and organization are competent, appropriately

UPF FY 2024 ANNEX

rigorous, integrated, and agile for large, complex and long duration projects.

Primary evidence for this Factor shall be demonstrated performance that meets and/or exceeds planned productivity and production rates while actively integrating functional inputs into the design, procurement, and construction outputs. The Contractor shall strive to minimize rework, idle time, unit rate changes, and put in controls to eliminate inaccurate earning.

The Contractor's Project Management Control System shall at a minimum:

- Maintain a compliant Earned Value Management System (EVMS) that timely resolves any Corrective Action Requests (CARs) and Discrepancy Reports (DRs).
- Variances and resulting impacts to the projects shall be analyzed at least monthly and appropriate, timely actions shall be taken to mitigate future variances/impacts.
- The trend program shall identify, document, approve and implement working performance baseline changes in a timely and cost-effective manner considering both cost and schedule impacts of each trend.
- Maintain an Integrated Master Schedule that accurately status design, procurement, technology development and integration fabrication, construction, assembly, test activities, commissioning and turnover of operations, including critical path schedules, monthly status reports, and PARS uploads on a regular and timely basis.
- Provide timely and thorough analysis and basis to support development of impact-based decisions (i.e., date at which decisions need to be made to avoid impact, and recommend prioritization, actions/options, with sufficient time for Government to act.

3. Execution within Cost Parameters (Weighting: 25%)

The Contractor shall execute Cost Performance efficiently and effectively within the Contractor's 2024 CEAC or until such time NNSA approves the Target Cost and PMB to ensure NNSA mission commitments and Contractor commitments are met with timely, high-quality deliverables, in accordance with DOE Order 413.3B and ANSI/EIA-748, as defined on Contract. For the avoidance of doubt, the ability to earn fee under this Subjective Fee Criterion in no way modifies any provision of the Settlement Agreement or any provision under the Contract as it relates to the method in which fee is earned for the Cost Objective. Thus, this Subjective Performance Evaluation Factor is allocated from \$3,000,000 Schedule Objective fee, and not associated with Cost Objective fee. See Settlement Agreement, Section (b)(vii).

Primary evidence for this Factor shall be demonstrated effective cost performance against the 2024 CEAC or the PMB when approved.

The Contractor's Cost Parameters shall at a minimum:

- Complete authorized scope in accordance with the 2024 CEAC or PMB when approved; provide timely and accurate project cost reporting.
- Manage and maintain a deliverable-based resource-loaded Work Breakdown Structure (WBS) baseline; cost control accounts, work packages and planning packages consistent with industry best practices and standards and compliant with the Contractor's Earned Value Management System Description (EVM-SD).
- Implement improved change control management of scope, cost, and schedule in accordance with the applicable threshold tables contained in the approved Project Execution Plans and in accordance with DOE orders and the EVM-SD.

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- Update Earned Value Management System (EVMS) tools with PMB data in accordance with Contracting Officer (CO) direction.
- Provide early warning accurate cost forecasting and analyze cost performance during each monthly period.
- Accurately measure earnings, e.g., work accomplished; implement controls to identify, report, and correct problems within the next reporting period after problems identified.
- Expend funds and resources that optimally provide maximum benefit to tax payer;
- Generate cost savings opportunities and ways to reduce project costs.
- Demonstrate cost effective procurement and subcontract management.
- Actively mitigate cost growth and performance impacts and only approve Trends after all mitigation steps have been exhausted.
- Execute the Trend program in accordance with April 5, 2023 CO direction, “*UPF Project Usage of Management Reserve.*”
- Identify, quantify and mitigate technical, programmatic, schedule, and cost risks.
- Ensure active participation in the Integrated Baseline Review (IBR) and prompt resolution of IBR identified issues to gain NNSA PMB approval.

4. Execution within Schedule Parameters (Weighting: 50%)

The Contractor shall execute Schedule Performance effectively and efficiently within the approved Contractor's 2024 CEAC or until such time NNSA approves the Integrated Master Schedule (IMS) and PMB to ensure NNSA mission commitments and Contractor commitments are met with timely, high-quality deliverables, in accordance with DOE Order 413.3B and ANSI/EIA-748, as defined on Contract.

Primary evidence for this Factor shall be demonstrated effective schedule performance against the 2024 CEAC or the IMS and PMB when approved.

The Contractor’s Schedule Parameters shall at a minimum:

- Complete authorized scope in accordance with the 2024 CEAC or PMB when approved; provide timely and accurate project cost reporting.
- Manage and maintain an IMS to support project management, execution and control; include the total scope of baselined work and identify WBS elements for all activities and milestones; identify interdependencies between project activities/milestones to reflect a credible, logical project sequence; activity durations which are reasonable, measurable, and appropriately detailed for effective management; appropriate activity and resource calendars are employed.
- Update EVMS tools with PMB data in accordance with CO Direction.
- Implement improved change control management of scope, cost, and schedule in accordance with the applicable threshold tables contained in the approved Project Execution Plans and in accordance with DOE orders and the EVM-SD.
- Maintain current project status and credible start/finish forecasts for all to-go tasks and milestones; include project and management controls milestones.
- Ensure there are no changes to NNSA activities without direction from CO.

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- Manage a credible critical path and near critical paths as determined by the calculated IMS logic network. This includes prioritization of near-term critical paths and mitigation of delays prior to finalization of critical path reporting.
- Ensure adequate schedule margin has been included and clearly defined;
- Ensure the number of lags/leads and activity constraints is limited and reasonable and within limits established by DOE.
- Schedule should include subcontracted scope detail into schedule/critical path to ensure successful integration. This includes identification of prerequisite work to ensure timely completion of subcontracted scope at a sufficient level of detail to manage required interfaces.
- Hold subcontractors accountable and avoid/mitigate impacting subcontract performance.
- Minimize construction down times; delays to construction activities are minimal, and all delays are proactively identified, tracked, analyzed for patterns, evaluated for quick resolution, and reported expeditiously to NNSA.
- Actively mitigate schedule growth and performance impacts and only approve Trends after all mitigation steps have been exhausted.
- Identify, quantify and mitigate project schedule risks; perform schedule risk analysis to accurately predict the probability of completing on time.
- Ensure active participation in the IBR and prompt resolution of IBR identified schedule issues.

End of Subjective Performance Factors

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SUBJECTIVE ADJECTIVAL RATINGS

Excellent	91%-100%	Contractor has exceeded almost all 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. <i>This performance level is evidenced by at least one significant accomplishment, or a combination of accomplishments that significantly outweigh very minor issues, if any. No significant issues in performance exist.</i>
Very Good	76% - 90%	Contractor has exceeded many 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. <i>This performance level is evidenced by accomplishments that greatly outweigh issues. No significant issues in performance exist.</i>
Good	51% - 75%	Contractor has exceeded some 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. <i>This performance level is evidenced by accomplishments that slightly outweigh issues. No significant issues in performance exist.</i>
Satisfactory	No greater than 50%	Contractor 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. <i>This performance level is evidenced by issues that slightly outweigh accomplishments.</i>
Unsatisfactory	0%	Contractor has failed 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. <i>This performance level is evidenced by issues that significantly outweigh accomplishments, if any.</i>

End of Award Fee Plan (Subjective Fee).

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INTERIM ANNEX SCHEDULE OBJECTIVE FEE STRUCTURE

The Settlement Agreement requires NNSA and the Contractor to negotiate milestones and finalize key activities, definitions of complete, and dates, in order for the Contractor to earn Schedule Objective Fee. *See* Settlement Agreement, Section (b)(b)(vi) “*UPF Fee for Work to Go (Completion)*”. This Annex sets forth the FY 2024 schedule milestones that must be achieved by the Contractor by the due date to earn Schedule Objective Fee.

For the purposes of FY 2024 Annex, only schedule milestones that can be achieved in the performance evaluation period were used. NNSA shall finalize the annex schedule objective (e.g., balance of schedule milestones to complete UPF) and the cost objective after NNSA approves the Contractor’s PMB.

The desired goal is to properly incentivize the Contractor to deliver all remaining UPF scope [MPB, SAB, and PSF subprojects] on budget and on schedule, by using the existing objective cost and schedule Annex structure, which aligns to settlement agreement. Thus, NNSA reserves the right to update as required post NNSA approval of the Contractor’s PMB, the Master Annex, Section J, Appendix B-2, *UPF Fee Plan*, including the KPOs that safeguard the UPF TPC and CD-4 date.

All other provisions, terms and conditions of the Settlement Agreement and Contract, including UPF Fee Plan/Annexes, shall continue to apply (Part III, Section J, Appendix B, B-2).

All FY24 Schedule Milestone Fee requests shall be submitted as follows:

- a. The Contractor shall schedule a briefing with the UPF Subproject FPD and Contracting Officer prior to development of a fee request package. Formal documentation of the briefing shall be produced by the Contractor including UPF Subproject FPD and Contracting Officer comments on said document for FDO review and approval.
- b. Contractor shall submit transmittal letter that provides clear directions and permissions for accessing and reviewing objective completion evidence. Fee requests that do not contain sufficient navigation instructions shall not be evaluated.
- c. The Contractor shall schedule, a minimum of 5 days in advance, a walk down of completed work scope with the UPF Subproject FPD and Contracting Officer prior to development of a fee request package.

Schedule Milestones	Schedule Fee
UPF.01: Low Voltage Power (LVP) Main Process Building (MPB) Switchgear Systems Construction Complete	\$975,000
UPF.02: SAB Building HVAC Duct and Support Installations (Group 6)	\$975,000
UPF.03: Complete Electrical Activities on Main Casting Knockout Line	\$975,000
UPF.04: Complete Installation of 50% of Conduit in MPB.	\$975,000
UPF.05: Level II Baseline Change Package Submitted for Approval	\$2,600,000
FY 2024 UPF Schedule Objective Fee Available	\$6,500,000

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Activity Number:	UPF.01
Activity Name:	Low Voltage Power (LVP) Main Process Building (MPB) Switchgear Systems Construction Complete
Due Date:	FY 2024/Q2
Fee Amount:	\$975,000
Owner:	Michael Pearson
Contract Performance Outcome: Complete the scope in support of Construction Turnover to Startup of the LVP System Switchgear Systems in the MPB. Includes MPB LVP 7 & 8 sub-systems. Punchlist items, systems inspections, walkdowns, and turnover actions shall be performed and documented in accordance with Y15-95-912, UPF Completion and Turnover.	
Background/Justification: Completion of the LVP systems is on Project Critical path and supports testing of the remaining LVP, FMCS and downstream utility systems.	
P6 Activity ID: MC2SLVP801 (MPB - Construction to Startup T/O - LVP-8) MC2SSLVP701 (MPB - Construction to Startup T/O - LVP-7)	
Notes: N/A	
Acceptance Criteria: Partial work packages will be provided as evidence documenting the completed scope. The Contractor shall identify construction scope by applicable Construction Work Packages (per Y17-95-64-800), associated inspection records and documented status of each (open, closed and pending). A summary of the incomplete scope and the basis for the documentation demonstrating successful completion of the milestone scope will also be provided.	
Exclusions: All work related to resolution/disposition of NCRs 06005, 05397, 06492, and 6142 and any subsequent scope requiring resolution as a result. This work will be captured on the punchlist as “A” items. Does not include the final work package documentation as these are in-process activities to complete a system.	
Assumptions: 1) For safety of craft in the building, LVP-7 & 8 cables pulled from MPB to MEB are not terminated on either end. This condition is accepted as a “B” item from the Startup Manager. 2) Associated P6 Schedule activities will remain open until resolution of manufacturer related items.	

UPF FY 2024 ANNEX

Activity Number:	UPF.02
Activity Name:	SAB Building HVAC Duct and Support Installations (Group 6)
Due Date:	FY 2024/Q3
Fee Amount:	\$975,000
Owner:	Michael Pearson
Contract Performance Outcome: Complete the physical scope associated with the SAB HVAC Group 6 critical path duct and support installation activities (defined below).	
Background/Justification: SAB subproject near term critical path is entirely through HVAC subcontractor work activities.	
P6 Activity ID: SAB3TDRG09 – SAB-3-D-RG – HVAC S/C – Group 6 Install exhaust duct and supports (A012) SAB3TEDZ37 – SAB-3-E-RG – HVAC S/C – Group 6 Install duct and supports (A012) SAB3TERG16 – SAB-3-E-DZ – HVAC S/C – Group 6 Install duct and supports (A012)	
Notes: N/A	
Acceptance Criteria: Joint NNSA and Contractor Project Management walk-down identifying scope is installed per the schedule activities and HVAC model shots. Documentation will be provided as evidence for welding and bolting activities. A summary of the incomplete scope and the basis for the documentation demonstrating successful completion of the milestone scope will also be provided.	
Assumptions: Does not include the final work package documentation as these are in-process activities to complete a system. Final work package document will be provided by the subcontractor after final completion of systems inclusive of testing.	

UPF FY 2024 ANNEX

Activity Number:	UPF.03
Activity Name:	Complete Electrical Activities on Main Casting Knockout Line
Due Date:	FY 2024/Q3
Fee Amount:	\$975,000
Owner:	Michael Pearson
Contract Performance Outcome: Complete the installation electrical commodities on the Main Casting Knockout Line per the referenced activities.	
Background/Justification: Completion of the internal electrical components in the Knockout Line is project critical path, and allows the transition of key resources to SMP Main.	
P6 Activity ID: MPBGBKO002 (Install GB Electrical Commodities (C5C Knockout)) MPBGBKO121 (Install Internal Electrical (C5C Knockout))	
Notes: N/A	
Acceptance Criteria: Partial work packages will be provided as evidence documenting the completed scope. The Contractor shall identify construction scope by applicable Construction Work Packages (per Y17-95-64-800), associated inspection records and documented status of each (open, closed and pending). A summary of the incomplete scope and the basis for the documentation demonstrating successful completion of the milestone scope will also be provided.	
Exclusions: Does not include the final work package documentation as these are in-process activities to complete a system.	
Assumptions: N/A	

UPF FY 2024 ANNEX

Activity Number:	UPF.04
Activity Name:	Complete Installation of 35,000 linear feet (LF) of Conduit in MPB.
Milestone Due Date:	FY 2024/Q3
Fee Amount:	\$975,000
Revision Number:	0
Performance Incentive Manager: Michael Pearson	
Contract Performance Outcome: Complete Installation of 35,000 LF of Conduit in MPB between Jan 1, 2024 and June 30, 2024.	
Background/Justification: Completion of conduit is critical to the completion of MPB.	
P6 Activity ID: N/A, Contractor's Conduit Commodity Curve for MPB Building	
Notes: N/A	
Acceptance Criteria: NNSA will validate this milestone by validating quantities through a review of Contractor's established Conduit Commodity Installation Curves for the MPB Building. Reports to be included in the evidence package provided by the Contractor.	

UPF FY 2024 ANNEX

Activity Number:	UPF.05
Activity Name:	Level II Baseline Change Package Submitted for Approval
Due Date:	FY 2024/Q4
Fee Amount:	\$2,600,000
Owner:	Michael Bocskovits
Contract Performance Outcome: A Contractor's EVM System Description compliant Level II BCP will be submitted to Y-12 APMO in support of subsequent reviews (e.g., IBR). The BCP will contain all FY24 CEAC Trends and Impacts, including appropriate loading of the EVMS Tools. Schedule Health compliance checks, including a Single Point Adjustment (SPA) for in-progress activities, will be documented and provided to Y-12 APMO and the Contractor's EVMS Compliance group. A Baseline Review, including required BCP backup documentation, will be held with Y-12 APMO and the Contractor's EVMS Compliance group prior to formal submission of the BCP to confirm adequacy of the submission.	
Background/Justification: Supports project objective of establishing a measurable performance management baseline	
P6 Activity ID: N/A	
Notes: N/A	
Acceptance Criteria: A Contractor EVM System Description compliant Level II BCP will be submitted to Y-12 APMO.	
Assumptions: N/A	

End of Schedule Objective Milestones

End of Annex

Uranium Processing Facility (UPF) Project Fee Structure

Master Annex
Revision 3



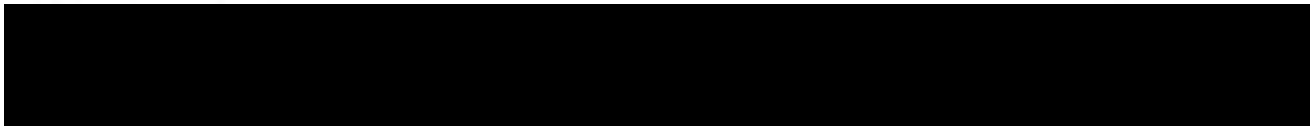
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APPROVALS



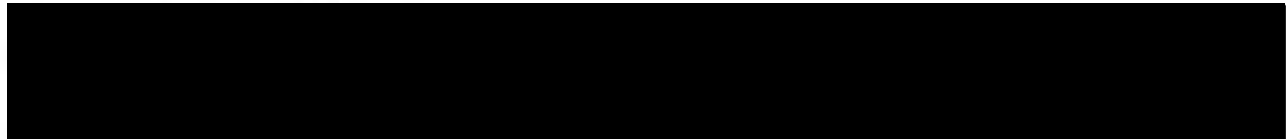
John P. Howanitz, UPF Project Director
Consolidated Nuclear Security, LLC

Date



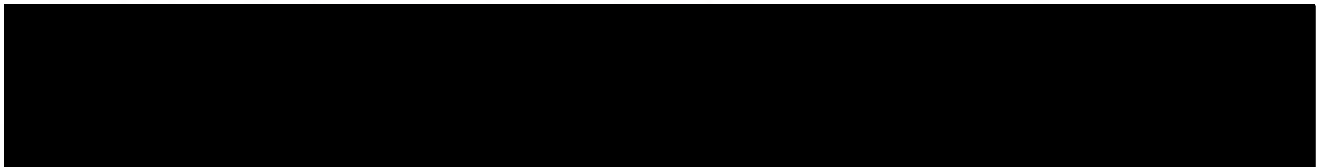
Scott S. Crawford, UPF Prime Contracts Manager
Consolidated Nuclear Security, LLC

Date



Dale E. Christenson, Federal Project Director
NNSA, UPF Project Office

Date



Michael C. Bocskovits, Contracting Officer
NNSA, UPF Project Office

Date

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REVISION LOG

Revision	Date	Description	Total Pages	Affected Pages
0	September 24, 2018	Initial Issue Cost Objective only. Appendix A-4 Schedule Objective and Appendices B, thru G to be completed later.	Front matter, ii-x; Body, 11-16; Appendix A, 17-24; Appendix B, 25; Appendix C, 26; Appendix D, 27; Appendix E, 28; Appendix F, 29; and Appendix G, 30.	All
1	November 28, 2018	Added Provisional Fee Liquidation Model, Schedule Objective, Schedule of Values, WBS, Articles of Agreement, and Government Oversight Model.	Front matter, ii-x; Body, 11-20; Appendix A, 21-27; Appendix B, 28-29; Appendix C, 30; Appendix D, 31; Appendix E, 32-63; Appendix F, 64; Appendix G, 65; Appendix H, 66-68; and Appendix I, 69.	All
2	April 15, 2019	Added Acronyms. Updated Cost Objective tables. Corrected Schedule of Values – Fee Liquidation Schedule. Added Schedule Milestone Closure Evidence, Special Reporting Requirements, Government Oversight Model, and References.	Front matter, ii-ix; Body, 11-19; Appendix A, 20-27; Appendix B, 28-29; Appendix C, 30-33; Appendix D, 34-56; Appendix E, 57-75; Appendix F, 76; Appendix G, 77-79.	All
3	August 28, 2019	Corrects UPF Performance Baseline (PB) – Summary, UPF Estimated Contract Price (CP) – Summary, and NNSA Contingency for MPB Subproject Performance Baseline (PB) Cost Objective	Front matter, ii-ix; Body, 11-19; Appendix A, 20-27; Appendix B, 28-29; Appendix C, 30-33; Appendix D, 34-56; Appendix E, 57-75; Appendix F, 76; Appendix G, 77-79.	A20-21; A24

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ACRONYMS

AUW	Authorized Unpriced Work
BCP	Baseline Change Proposal
CAM	Control Account Manager
CBB	Contract Budget Base
CD	Critical Decision
CNS	Consolidated Nuclear Security, LLC
CO	Contracting Officer
COR	Contracting Officer Representative
CPIF	Cost Plus Incentive Fee
CRD	Contractor Requirements Document
CSB	Construction Support Building
DID	Data Item Description
DOE	U.S. Department of Energy
EAC	Estimate at Completion
EPC	Engineering, Procurement, Construction
EUM	Enriched Uranium Mission
FPD	Federal Project Director
GAO	General Accounting Office
HEUMF	Highly Enriched Uranium Materials Facility
IBR	Integrated Baseline Review
IMS	Integrated Master Schedule
IPMR	Integrated Program Management Report
KPO	Key Performance Objectives
KPP	Key Performance Parameters
MEB	Mechanical Electrical Building
M&O	Management and Operating
MPB	Main Process Building
MSF	Modified Square Footage
NNSA	National Nuclear Security Administration
PARS II	Project Assessment and Reporting System II
PB	Performance Baseline
PEP	Project Execution Plan
PRD	Program Requirements Document
PSB	Personnel Support Building
PSF	Process Support Facilities
SAB	Salvage & Accountability Building
SRD	Systems Requirement Document
TBD	To Be Determined
TPC	Total Project Cost
UPF	Uranium Processing Facility
UPM	Uranium Program Manager
UPO	UPF Project Office
WBS	Work Breakdown Structure
Y-12	Y-12 National Security Complex

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1 INTRODUCTION

The National Nuclear Security Administration (NNSA) is executing the Uranium Processing Facility (UPF) Project by means of seven (7) authorized Subprojects via a combination of Critical Decision (CD) approvals. The subprojects are as follows: 1) *Site Readiness* (SR), 2) *Site Infrastructure and Services* (SIS), 3) *Substation* (SS), 4) *Mechanical Electrical Building* (MEB), 5) *Process Support Facilities* (PSF), 6) *Salvage & Accountability Building* (SAB), and 7) *Main Process Building* (MPB).

The UPF primary facilities include the MPB, the SAB, the MEB, and various smaller support facilities. Each of these buildings are designed to applicable process function, security, and nuclear/chemical hazard requirements. The MPB will house casting, special oxide production, furnaces, repackaging, high-equity calcination, and non-destructive analysis. The SAB will house low equity calcination and leaching, chemical recovery, non-destructive analysis, maintenance, and decontamination areas. The MEB will house the utility support systems for both the MPB and the SAB. The SS will supply power to the UPF and Y-12 National Security Complex (Y-12). Supporting facilities will include the Construction Support Building (CSB), truck bay/loading docks, the PSF, the Personnel Support Building (PSB), the fire tank pump house, and a connector to the Highly Enriched Uranium Materials Facility (HEUMF).

The UPF Project will be considered complete at UPF CD-4 when the Project Execution Plans (PEPs) and associated Key Performance Parameters (KPPs) are met to provide the required Enriched Uranium (EU) processing capabilities and/or capacities. The KPP verification methodology is detailed in PL-PJ-801768-A030, *Key Performance Parameters Verification Plan*. All changes to the PL-PJ-801768-A030, shall be approved by the UPF Federal Project Director with concurrence from the Uranium Program Manager.

The PEPs and associated KPPs for each Subproject are listed as follows:

- Main Process Building Subproject, PL-PJ-801768-A006, Appendix A.
- Salvage & Accountability Building Subproject, PL-PJ-801768-A006, Appendix A.
- Process Support Facilities Subproject, UPO-PL-95-A010, Section 1.3.5
- Mechanical Electrical Building Subproject, UPO-PL-95-A014, Section 1.3.5

The PEPs and KPPs for each Subproject are under strict configuration management as outlined in the Baseline Change Control section of each respective PEP. The UPF scope shall be managed through the use of the Project's construction management baseline in order to ensure the scope, mission requirements, and schedules are met within the approved Contract Budget Base (CBB). The approved Subproject Scope and Level I/II Schedule Milestones must be achieved in order to not impact the UPF CD-4 date.

The UPF scope shall support the Enriched Uranium Mission (EUM), with timely, cost effective, high quality deliverables.

2 PURPOSE

The UPF Fee Structure, herein referenced as “Master Annex”, a subset of the overarching Contract, Section J, Appendix B-2, “UPF Fee Plan,” shall document the *Key Performance Objectives (KPOs)*, Appendix A, in which all Contractor performance will be evaluated.

The purpose of the Master Annex is to consolidate all remaining Contractor scope exclusive of Annex 5 Substation under one fee annex, establish a target price and incentive fee structure for MPB, SAB, PSF, and MEB Subprojects, and define how NNSA will determine the final amount of Contractor earned fee, thereby establishing a “contract price” for all UPF scope. The Master Annex, includes *Articles of Negotiated Agreement*, Appendix F, used to capture various aspects or commitments to reach final agreement.

3 APPROACH

The desired performance of the Contractor is to deliver high quality deliverables (technical requirements) and/or integration support, which will ultimately deliver a UPF fully capable of meeting all Department of Energy (DOE)/NNSA mission performance, quality, safeguards and security, and environmental, safety, and health contractual requirements.

The approach for the Plan is to establish the fee structure that will appropriately motivate Contractor performance while reducing Government risk through the use of Performance Objectives and Cost Plus Incentive Fee (CPIF) arrangements. Therefore, an element of the fee structure is the Contractor’s demonstrated performance in completing Contract deliverables that comply with DOE O 413.3B, including, but not limited to: Statement of Work, Program Requirements Document (PRD), Systems Requirements Document (SRD), and all other applicable DOE Orders, Standards, and Contractor Requirements Documents (CRD), as set forth in the Contract.

The desired goal is to properly incentivize the Contractor to deliver all UPF subproject scope on/or under budget and on/or ahead of schedule, by establishing a reasonable Target Price, including KPOs, that safeguard the UPF CD-2 Baseline and UPF CD-4 date.

4 ESTABLISHING ANNEX

The Master Annex represents all the remaining UPF Contractor scope through UPF CD-4, and shall be approved and incorporated into the Contract by the Contracting Officer (CO), Section J, Appendix B-2, UPF Fee Plan.

The Government will primarily incentivize the Contractor by means of employing cost and schedule incentives. The Government expects to influence the Contractor to aggressively manage resources as required in order to provide high-quality and timely completion of all authorized scope to deliver a UPF fully capable of meeting all Department of Energy (DOE)/NNSA mission performance, quality, safeguards and security, and environmental, safety, and health contractual requirements.

Eligibility and the final amount of the incentive fee earned shall be dependent on the Contractor clearly meeting or exceeding the KPOs.

5 ANNEX OVERSIGHT

The *Government Oversight Model and Special Reporting Requirements*, Appendix H, describes the approach NNSA will use for conducting surveillance and oversight of UPF Project, including Contract deliverables, requirements, and any required submittals, in order to ensure the Contractor delivers high quality products and services that meet the UPF project requirements. This approach includes the UPF Project Office Oversight Plan, UPO-PL-95-A005, and the UPF Quality Assurance Plan, UPO-PL-95-A004.

The CO and Contracting Officer's Representatives (CORs) will measure Contractor performance through an "open book" assessment of the Contractor's technical, cost, and schedule data. This approach includes input from functional areas, including, but not limited to: Business Management and FPD Support; Contract Management; Construction; Engineering; Environmental, Safety, and Health; Project Controls and Estimating; Procurement; Project Management; Quality Assurance; Operational Readiness; Safeguards and Security; Subcontract Management; and Technology Development.

The purpose of the oversight model is to communicate Government expectations to the Contractor in order to ensure Contract objectives, i.e., final outcomes, are achieved. The CO/COR may notify the Contractor anytime during the performance of the Contract to address Contractor performance issues requiring immediate attention. However, the COR can only act solely as a technical representative of the CO, and therefore is not authorized to perform any function that results in a perceived or real change in the scope, price, terms or conditions of the Contract.

6 ESTABLISHING BASELINES

The CO shall ensure that the final negotiated cost and fee structure is commensurate with the Critical Decision (CD) approval phase and performance risks, as it pertains to DOE guidelines, limitations, and factors for determining fees.

Pursuant to DOE O 413.3B, the Performance Baseline(s) (PBs) are established at CD-2, which marks the completion of preliminary design. The PBs represents NNSA's commitment to Congress for delivering the Project's defined Subproject scope by a particular date at a specific cost, with the exception of any separately approved subprojects and long lead procurements, as applicable.

In order for the CO to determine the proposed costs are fair and reasonable, the Contractor shall provide a cost/schedule baseline proposal in sufficient detail for the Government to perform the appropriate price/cost analysis. Pursuant to FAR 15.404-1(b), the Government may use various price analysis techniques to definitize the negotiated target cost and target fee structure in the Contract. For the purposes of this Annex, the negotiated cost, schedule milestones, and fee structure shall be validated during the Integrated Baseline Review (IBR), at the conclusion of negotiations.

7 CHANGE PROCEDURES

The Master Annex may be updated as necessary during Contract performance. These updates may include, but are not limited to, required changes caused by scope, change orders, project

phasing, and/or adjusting KPOs to meet performance objectives. Change procedures; include the Project Execution Plan Change Control Criteria, UPF Project Baseline Change Control Process, UPO-95-A010, and UPF Fee Plan Change Control Process, UPO-95-A028.

The Baseline Change Control Criteria are subject to the following Subproject PEP thresholds:

- Main Process Building Subproject - PL-PJ-801768-A006, Appendix D
- Salvage and Accountability Building Subproject - PL-PJ-801768-A006, Appendix D
- Process Support Facilities Subproject – UPO-PL-95-A010, Table 7-1
- Mechanical Electrical Building Subproject – UPO-PL-95-A014, Table 7-1

If, in the opinion of the Contractor, any instruction or direction by the COR falls within one of the categories defined in (c)(1) through (c)(5) of the technical direction clause of the Contract. Part II - Section I, Sub-Section I-2, DEAR 952.242-70, *Technical Direction*, the Contractor must not proceed and must notify the CO in writing within five (5) working days after receipt of any such instruction or direction. Upon receiving the notification from the Contractor, the CO must advise the Contractor as defined in (e)(1) through (e)(3) of the technical direction clause of the Contract. Part II - Section I, Sub-Section I-2, DEAR 952.242-70, *Technical Direction*.

A failure of the Contractor and CO either to agree upon the contract action to be taken with respect to the technical direction shall be in accordance with the disputes clause of the Contract. Part II - Section I, Sub-Section I-1, FAR 52.233-1, *Disputes, Alternate I*.

All annex changes shall be codified by a Contract modification within Section J, Appendix B-2, UPF Fee Plan.

8 INTEGRATED BASELINE REVIEW

Post negotiations, an IBR is a critical element for the Government to ensure the Project's authorized and negotiated scope is correctly planned and resourced to match the negotiated values as shown in Appendix A.

The primary objectives of an IBR include:

- Validate the costs from the negotiation are incorporated in the MPB, SAB, PSF, and MEB Subproject Baselines, including the PSIR pools.
- Validate the schedule milestones from the negotiation are incorporated in the MPB, SAB, PSF, and MEB Subproject Baselines.
- Validate the reporting tools accurately reflect progress and earnings.
- Validate the Contractor's baseline change control procedures are in accordance with their System Description and are adequate to manage the project.
- Validate the Responsibility Assignment Matrix has all scope assigned to a Control Account Manager (CAM).

An IBR was performed in accordance with the NNSA-approved *Integrated Baseline Review (IBR) Plan*, as a Government-led joint assessment with the Contractor at the conclusion of negotiations. An IBR report was issued on March 8, 2019 (ASRP-CONT-3.1.2019-828911), with a Corrective Action Plan to resolve all Pre- and Post-Approval Findings. On April 2, 2019, the Government approved a Level II BCP that closed all the Pre-Approval Findings.

9 FEE REQUESTS/APPROVALS

All Contractor fee requests are subject to the overarching Contract, including Section J, Appendix B-2, “UPF Fee Plan,” and shall include sufficient detail and documented evidence for the CO to make a timely interim or final fee determinations, pursuant to the *Work Breakdown Structure (WBS)*, Appendix E and *Schedule Milestone Closure Evidence*, Appendix C. All Contractor fee requests shall be submitted pursuant to the *Schedule of Values – Fee Liquidation Schedule*, Appendix B.

The following CO approval commitments assume the Contractor provided sufficient detail and documented evidence with the fee request:

- Provisional Fee Request Approvals – 30 calendar days
- Earned Fee Request Approvals – 45 calendar days

The CO’s evaluation of fee requests shall rely on the Contractor’s ability to clearly demonstrate satisfactory progress and/or completion of discrete scopes of work. The amount of each fee payment will be directly and expressly linked to the Contractor’s demonstrated and continued performance towards earning fee. Thus, each successive fee payment, if any, shall reflect the Contractor’s cumulative performance to date.

The CO may consider other inputs, but are not limited to, routine and un-scheduled site visits, inspections, assessments, and peer reviews when evaluating provisional fee requests. The Contractor’s failure to provide sufficient detail and documented evidence may result in delays in processing Fee Request Approvals. The CO will advise the Contractor if the fee request detail is considered insufficient prior to the periods outlined above.

The CO may make Interim Fee Determinations at any time during Contract performance prior to UPF CD-4. Thus, the Contractor’s failure to meet or deliver any of the established KPOs may result in provisional fee adjustments, and/or a deferral or reduction of earned fee for that assigned objective or element.

In the event the CO determines the Contractor has overdrawn paid fee, the Contractor shall return that paid fee to the Government within 60 calendar days of notification:

- The Contractor’s obligation to return the paid fee is independent of its intent to dispute, and/or its disputing the CO determination in accordance with the disputes clause of the Contract. Part II - Section I, Sub-Section I-1, FAR 52.233-1, *Disputes, Alternate I* (Dec 1991)(Jul 2002); and
- If the Contractor fails to return the paid fee within 60 calendar days of the CO notification, the Government, in addition to all other rights that accrue to the Government, may withhold/deduct the amount of the paid fee from amounts the Government would otherwise authorize the Contractor to draw down under a Letter of Credit, or any other Contractor owed obligation.

All provisional payment of fee is 100% at risk until earned. All negotiated fee associated with cost performance objectives shall be provisional until NNSA approval of UPF CD-4, subject to the CO Final Fee Determination and Contract modification.

NNSA will make a Final Fee Determination after NNSA approval of UPF CD-4 and acceptance of UPF closeout report.

10 PROVISIONAL FEE LIQUIDATION MODEL

Provisional Fee Liquidation Model - includes work to go only	Provisional Fee Pool: \$168,515,866 Liquidated Fee Pool: \$134,812,693 (80%) Unliquidated Fee Pool: \$33,703,173 (20%)
The basis for the interim fee liquidation model is the Contractor's March 02, 2018 CD-2/3 Submittal Schedule. Steps taken to construct the model are as follows: 1. Budgeted Cost of Work Scheduled (BCWS) in dollars was extracted from this file by Summary Work Package (SWP) or Work Package (WP) as required to separate the discrete scope from the Level of Effort (LOE) scope. 2. The Substation Subproject and SWPs or WPs that were primarily LOE were excluded from the fee to be liquidated as they were deemed to not contribute value added to the facility. This reduced total BCWS in the file from \$3.726B to \$1.873B of cost that was applicable to fee liquidation. 3. This cost (\$1.873B) was broken down by Subproject, and converted to a percentage of work completed by quarter using \$1.873B as the denominator. 4. The Provisional Fee Pool was reduced by 20% to create an Unliquidated Fee Pool (holdback), and the balance makes up a Liquidated Fee Pool to be liquidated on a quarterly basis based on performance using % complete model. 5. The percentages calculated in Step 3 were applied to the Liquidated Fee Pool calculated in Step 4, creating a time-phased Fee Liquidation Schedule over the life of the project. Each quarter's earnings will be compared to the Performance Measurement Baseline to calculate percent complete. This will be compared to the expected percent complete in the fee liquidation model to determine if, or to what extent, the original performance goals were achieved. Since both values in the comparison are expressed as a percent, the model will remain relevant regardless of baseline changes. The model shall serve as a quarterly draw down expectation curve, but can be adjusted based on actual performance against the approved baseline. Thus the amount of provisional fee to be drawn or returned quarterly or annually by the Contractor is subject to CO interim determinations. The following control accounts are deemed not relevant to the fee liquidation model, unless noted otherwise: NOTE: The table reflects the Control Account Summary, which is intended to be an example for how the model will be calculated. Each provisional fee determination will include an evaluation of SWP or WP as required to separate the discrete from LOE scope.	

Control Account	EPC	Total	Total Post CD-2/3	Relevant to Liquidation
P88Y3301 Substation				
.45.70.45 Substation Owner's Rep & Concept Design	C	\$1,427,770	\$227,075	
.45.70.40 Design Auth & Tech Monitoring	G	\$1,710,719	\$600,577	
P88Y3332 Main Process Bldg (MPB) (CD-2/3)				
.45.60.50.11 MPB Engineering Title III	E	\$170,648,607	\$170,648,607	
.45.60.50.51 MPB Professional Services	G	\$349,029,383	\$349,029,383	
.45.100 MPB-SAB-PSF SVTs	G	\$1,871,360	\$1,871,360	
P88Y3297 Main Process Building (MPBLL) (Active)				
.45.60.80.10 Site Prep Excavation	C	\$7,807,389	\$0	
.45.60.80.20 Site Prep Select Fill	C	\$18,462,570	\$133,198	
.45.60.80.30 Site Prep Permanent Plant Subcontracts	C	\$27,568,193	\$0	
.45.60.80.40 Site Prep Support & Distributable	G	\$27,898,826	\$928,422	
.45.60.40.20 MPB LLP Plant Equipment Procurement	P	\$148,826,166	\$145,105,986	\$148,826,166
.45.60.50.20 MPB Procurement Bulks	P	\$28,307,718	\$16,614,096	\$28,307,718
.45.60.50.90 MPB LLP Engineering TIII	E	\$1,228,425	\$0	
.45.60.50.95 MPB LLP Non-Manual Services/Support	G	\$4,684,875	\$582,021	
.45.60.80.50 Site Prep LOE	G	\$22,429,633	\$2,340,132	
P88Y3333 Process Support Facility (PSF) (CD-2/3)				
.45.100 MPB-SAB-PSF SVTs	G	\$1,378,340	\$1,378,340	
.45.80.50.11 PSF Engineering Title III	E	\$10,560,874	\$10,560,874	
.45.80.50.51 PSF Professional Services	G	\$23,451,846	\$23,451,846	
P88Y3331 Salvage & Account. Bldg (SAB) (CD-2/3)				
PM Project Management Milestones	G	\$0	\$0	
.45.50.50.51 SAB Professional Services	G	\$138,912,344	\$138,912,344	
.45.50.50.11 SAB Engineering Title III	E	\$69,416,130	\$69,416,130	
.45.100 MPB-SAB-PSF SVTs	G	\$3,450,190	\$3,450,190	
P88Y3296 Salvage & Accountability Building (SABLL)				
.45.50.40.20 SAB/PSB Plant Equipment Procurement	P	\$23,570,421	\$22,034,296	\$23,570,421
.45.50.50.20 SAB/PSB Procurement Bulks	P	\$20,281,685	\$5,778,056	\$20,281,685
.45.50.50.90 SAB LLP Engineering TIII	E	\$941,624	\$0	
.45.50.50.95 SAB LLP Non-Manual Services/Support	G	\$4,231,124	\$491,124	
P88Y3191 Site Readiness (Archive) (Do not use)		\$26,939,929	\$2,155,252	
P88Y3280 CNS Project Engineering Design (PED) (Active)		\$960,610,612	\$71,519,693	
P88Y3281 CNS Site Readiness (Archive) (Do not use)		\$15,554,467	\$3,082,824	
P88Y3289 Site Infrastructure & Services (SIS) (Active)		\$26,414,551	\$2,159,468	
P88Y2746 PED (Archive) (Do not use)		\$10,798,331	\$67,352	

11 DEFERRED FEE POOL

All Contractor fee requests are subject to deferred fee withholdings pursuant to the *Schedule of Values – Fee Liquidation Schedule*, Appendix B.

In the event Schedule fee is not 100% earned due to the Contractor completing scope after the Completion Date, the schedule fee for that milestone will be reduced until the value of that milestone is exhausted. Any reduced milestone value will be set-aside in a Deferred Fee Pool, subject to the Articles of Negotiated Agreement, Appendix F, Deferred Fee Pool.

HISTORICAL

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HISTORICAL

APPENDIX A: KEY PERFORMANCE OBJECTIVES

1 PRIME OBJECTIVE

UPF Baselined Total Project Cost – Summary - includes NNSA Contingency, NNSA Directs, and Legacy Costs		
Subproject	TPC (\$M)	CD-4
Main Process Building Subproject (MPB)	\$4,731.8M	12/31/2025
Salvage & Accountability Building Subproject (SAB)	\$1,180M	12/31/2025
Process Support Facilities Subproject (PSF)	\$140M	12/31/2025
Mechanical Electrical Building Subproject (MEB)	\$284M	01/17/2022
Substation Subproject (SS)	\$60M	06/24/2020
Site Infrastructure and Services Subproject (SIS)	\$60.5M	02/28/2018 (A)
Site Readiness Subproject (SR)	\$43.7M	02/27/2015 (A)
Total Project Cost	\$6,500M	

UPF Performance Baseline (PB) - Summary - includes work to go only				
Subproject	Performance Measurement Baseline (PMB)	Contract Budget Base (CBB)	Estimated Contract Price (CP)	Performance Baseline (PB/TPC)
MPB	\$1,863,023,177	\$2,148,613,301	\$2,256,043,966	\$2,608,354,704
SAB	\$787,340,919	\$881,352,771	\$925,420,410	\$1,180,000,000
PSF	\$102,524,141	\$110,961,381	\$116,509,450	\$140,000,000
MEB	\$208,122,320	\$229,389,865	\$240,859,358	\$284,000,000
Totals	\$2,961,010,557	\$3,370,317,318	\$3,538,833,184	\$4,212,354,704

Failure to achieve the Prime Objective (UPF TPC/CD-4) constitutes a 100% forfeiture of unearned available fee for circumstances directly attributable to Contractor performance, except for excusable delays (Section I, I-1, FAR 52.249-14 *Excusable Delays*) or availability of funds (Section I, I-1, FAR 52.232-18 *Availability of Funds*). All impacts are subject to a Final Fee Determination and Contract modification.

2 CONTRACT OBJECTIVE

UPF Estimated Contract Price (CP) - Summary - includes unrealized fee subject to CO Final Fee Determination and Contract modification.				
Item	Subproject	Cost (Estimated)	Fee (Estimated)	Contract Price (Estimated)
CLIN 0002		\$4,420,734,327	\$220,640,024	\$4,641,374,351
0002A	MPB	\$3,156,684,835	\$157,834,241	\$3,314,519,076
0002B	SAB	\$881,352,771	\$44,067,639	\$925,420,410
0002C	PSF	\$110,961,381	\$5,548,069	\$116,509,450
0002D	MEB	\$229,389,865	\$11,469,493	\$240,859,358
0002E	SS (Fixed Fee)	\$4,640,532	\$232,028	\$4,872,560
0002F	SIS	\$25,232,933	\$1,052,034	\$26,284,967
0002G	SR (Fixed Fee)	\$12,472,010	\$436,520	\$12,908,530

The UPF CLIN 0002 Contract scope is inclusive of all project management elements associated with the design, procurement, construction, start-up, and turnover to operations of the facilities and processes. The UPF primary facilities include the MPB, the SAB, the MEB, and various smaller support facilities. Each of these buildings are designed to applicable process function, security, and nuclear/chemical hazard requirements.

- The MPB will house casting, special oxide production, furnaces, repackaging, high equity calcination, and non-destructive analysis.
- The SAB will house low equity calcination and leaching, chemical recovery, maintenance, non-destructive analysis, and decontamination areas.
- The MEB will house the utility support systems for both the MPB and the SAB.
- The SS will supply power to the UPF and Y-12.
- Supporting facilities will include the CSB, truck bay/loading docks, PSF, PSB, fire tank pump house, and a connector to HEUMF.

The UPF Project will be considered complete at UPF CD-4 when the Project Execution Plans (PEPs) and associated Key Performance Parameters (KPPs) are met to provide the required EU processing capabilities and capacities.

The final Contract Price for CLIN 0002, a roll-up of SUB-CLIN estimated values, shall be incorporated by modification into the Contract by the CO after the NNSA approval of UPF CD-4 and acceptance of UPF closeout report, subject to a CO Final Fee Determination.

3 COST OBJECTIVE

Target Price - Summary - includes work to go only	
Target Price (P_T),	\$3,538,833,184.00
Available Fee (F_A), includes unrealized cost and schedule fee	\$168,515,866.00
NOTE: The Target Price includes all MPB, SAB, PSF and MEB Subproject scope. NNSA will make a Final Fee Determination after NNSA approval of UPF CD-4 and acceptance of UPF closeout report. The Key Performance Objectives and Key Performance Parameters apply to the project requirements being delivered and/or performed under this scope. All Fee associated to the Cost Objective is provisional to the end of the Project (UPF CD-4), subject to the CO Final Fee Determination and Contract modification.	
Target Cost (C_T)	\$3,370,317,318.00
Target Fee (F_T)	\$84,257,933.00
Maximum Fee (F_{MAX})	\$160,000,000.00
Level 1 Under Target Cost (C_{UT1})	\$3,240,317,318.00
Level 1 Under Target Share Ratio (S_{GU1}/S_{CU1})	88/12
Level 2 Under Target Cost (C_{UT2})	\$3,039,843,761.00
Level 2 Under Target Share Ratio (S_{GU2}/S_{CU2})	70/30
Minimum Fee (F_{MIN})	\$0
Level 1 Over Target Cost (C_{OT1})	\$3,533,199,150.00
Level 1 Over Target Share Ratio (S_{GO1}/S_{CO1})	77/23
Level 2 Over Target Cost (C_{OT2})	\$3,617,457,084.00
Level 2 Over Target Share Ratio (S_{GO2}/S_{CO2})	44.46/55.54
Share Ratios: Government Under/Over Target Shares, expressed as the Government percentage share of cost risk over the Contractor percentage share of cost risk. Under Target Share = S_{GU}/S_{CU} // Government Share (%)/Contractor Share (%). Over Target Share = S_{GO}/S_{CO} // Government Share (%)/Contractor Share (%).	

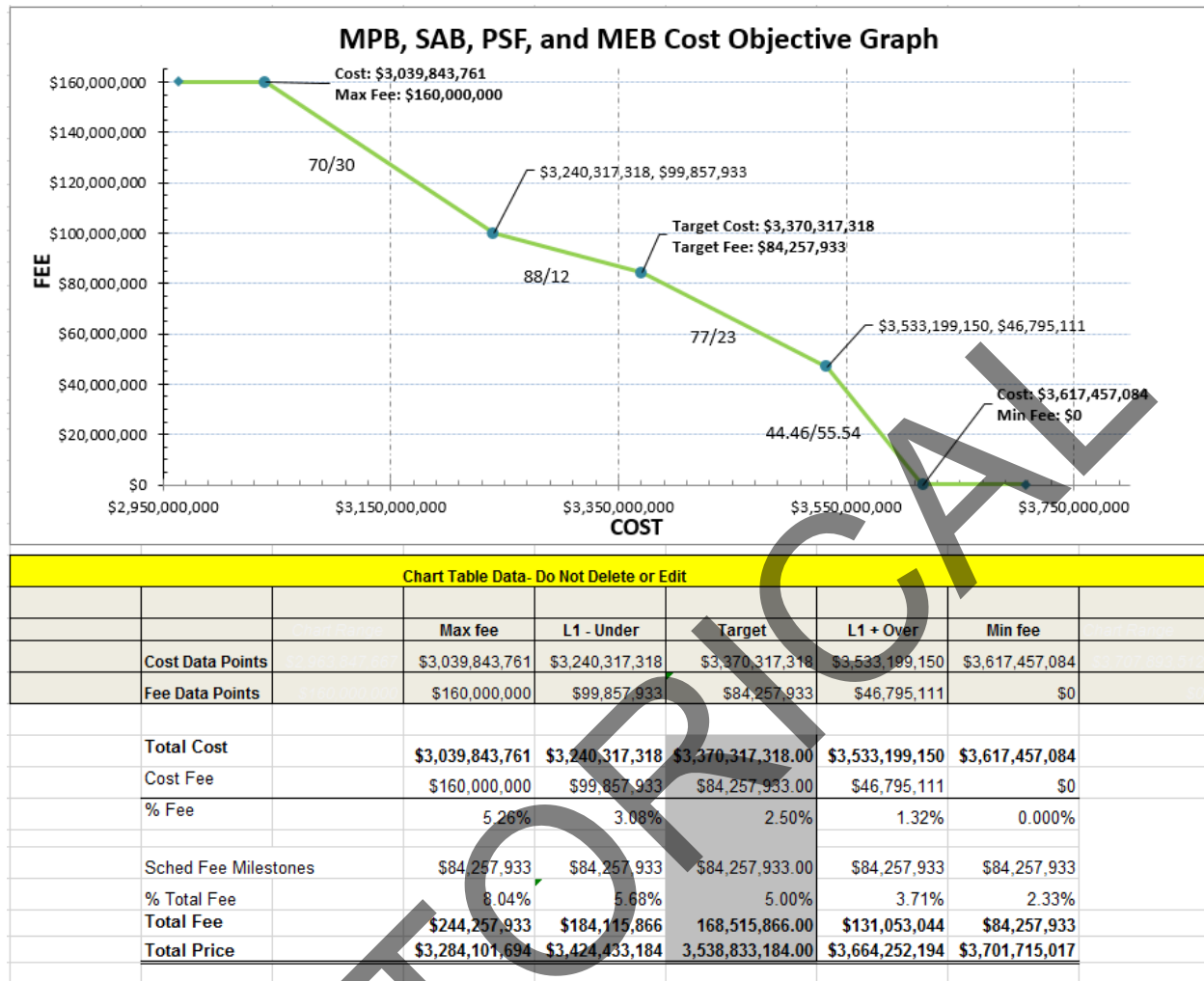


Figure 1: Master Cost Objective Graph

Cost Incentive – Terms

- used in Government share line model

P_T = Target Price	// Estimated Target Price (\$) if all available fee earned.
F_A = Available Fee	// Combined unrealized Target Fee and Schedule Fee (\$).
C_T = Target Cost	// Negotiated Target Cost (\$).
F_T = Target Fee	// Negotiated Target Fee (\$).
F_S = Schedule Fee	// Negotiated Schedule Fee (\$).
C_{UT} = Under Target Cost	// Actual Costs (\$) when Maximum Fee realized.
F_{MAX} = Maximum Fee	// Maximum Fee (\$) realized for Under Target Cost.
C_{OT} = Over Target Cost	// Actual Costs (\$) when Minimum Fee realized.
F_{MIN} = Minimum Fee	// Minimum Fee (\$) realized for Over Target Cost.
C_{TAC} = Total Allowable Cost	// Actual Cost (\$) the Contractor can claim.
F_{TA} = Target Fee Adjustment	// Calculated Fee Adjustment (\$) for Under/Over.
F_{ATF} = Adjusted Target Fee	// Calculated Fee Adjustment (\$) applied to Target Fee.
F_{AFF} = Adjusted Final Fee *	// Calculated Fee Adjustment (\$) for Schedule.
P_C = Contract Price	// Calculated Contract Price (\$) after Final Fee applied.

The following tables reflect the negotiated agreement for establishing the contract target price, and bounding limits of the approved TPCs, including the Government's expectation for cost values below the PMB/CBB/PSIR. The final values below the PMB/CBB/PSIR are subject to NNSA approval of a Level II Baseline.

MPB Subproject Performance Baseline (PB) Cost Objective - includes work to go only	
Direct Cost	\$1,189,148,676
Indirect Cost	\$673,874,501
Performance Measurement Baseline (PMB) Subtotal	\$1,863,023,177
Management Reserve	\$285,590,124
Contract Budget Base (CBB) Subtotal	\$2,148,613,301
Available Fee	\$107,430,665
Estimated Contract Price (CP) Subtotal	\$2,256,043,966
NNSA Contingency	\$352,310,738
Performance Baseline (TPC)	\$2,608,354,704

SAB Subproject Performance Baseline (PB) Cost Objective	
Direct Cost	\$544,765,315
Indirect Cost	\$242,575,604
Performance Measurement Baseline (PMB) Subtotal	\$787,340,919
Management Reserve	\$94,011,852
Contract Budget Base Subtotal	\$881,352,771
Available Fee	\$44,067,639
Estimated Contract Price Subtotal	\$925,420,410
NNSA Contingency	\$254,579,590
Performance Baseline (TPC)	\$1,180,000,000

PSF Subproject Performance Baseline (PB) Cost Objective	
Direct Cost	\$73,555,844
Indirect Cost	\$28,968,297
Performance Measurement Baseline (PMB) Subtotal	\$102,524,141
Management Reserve	\$8,437,240
Contract Budget Base Subtotal	\$110,961,381
Available Fee	\$5,548,069
Estimated Contract Price Subtotal	\$116,509,450
NNSA Contingency	\$23,490,550
Performance Baseline (TPC)	\$140,000,000

MEB Subproject Performance Baseline (PB) Cost Objective	
Direct Cost	\$167,692,902
Indirect Cost	\$40,429,418
Performance Measurement Baseline (PMB) Subtotal	\$208,122,320
Management Reserve	\$21,267,545
Contract Budget Base (CBB) Subtotal	\$229,389,865
Available Fee	\$11,469,493
Estimated Contract Price Subtotal	\$240,859,358
NNSA Direct	\$4,982,385
NNSA Contingency	\$38,158,257
Performance Baseline (TPC)	\$284,000,000

Project Specific Indirect Rates				
- baseline for establishing performance variances and allocations across subprojects				
Subprojects	C1 Pool	C2 Pool	MSF%	Total
MPB	\$368,493,143	\$305,381,358	74.08%	\$673,874,501
SAB	\$147,045,671	\$95,529,933	23.17%	\$242,575,604
PSF	\$27,081,635	\$1,886,662	0.46%	\$28,968,297
MEB	\$30,996,483	\$9,432,935	2.29%	\$40,429,418
Total	\$573,616,932	\$412,230,888	100%	\$985,847,820

4 SCHEDULE OBJECTIVE

Schedule Fee- Summary - includes work to go only	
Schedule Fee (F _{SM}) Milestones	\$84,257,933.00

Critical Decision (CD) - Summary - Assumes all Contractor's Schedule Reserve and Government's Schedule Contingency Used	
MEB CD-4 Subproject Complete	January 17, 2022
UPF CD-4 (MPB, SAB, and PSF Subprojects Complete)	December 31, 2025

Schedule Milestones Summary		
1	MEB in the Dry (Phase I Complete)	May 23, 2019
2	Base Topping Slabs Complete MPB/SAB	June 4, 2019
3	MPB Walls to 27'	August 28, 2019
4	MPB Elevated Slabs (East and West)	November 7, 2019
5	Provide 1,100 tons of Cooling	May 18, 2020
6	MEB Construction Complete	June 15, 2020
7	SAB in the Dry (Roof Decking Complete)	August 26, 2020
8	Provide 4,200 tons of Cooling	September 2, 2020
9	Main Casting Glovebox Line Delivery Acceptance on Site	December 30, 2020
10	Supply Power for 40MVA Load	January 26, 2021
11	MEB Scope Complete (CD-4 Achieved) * Assumes Contractor's Schedule Reserve Used	January 27, 2021
12	Fire Hazard Analysis (Rev 0) Issued	February 4, 2021
13	PSF in the Dry	February 24, 2021

14	MEXHI/MEXLO Furnace and Glovebox R6000 Delivery Acceptance on Site	March 11, 2021
15	MPB in the Dry	April 12, 2021
16	ETCF Conversion Furnace/Glovebox R7300 Delivery Acceptance on Site	May 24, 2021
17	Sintering Furnace/Glove Box R8000 Delivery Acceptance on Site	May 24, 2021
18	MW Furnace Casting Glove Box Delivery Acceptance on Site	June 23, 2021
19	Chemical Recovery Calcination Qualification Testing Complete	January 4, 2022
20	PSF Construction Complete	May 17, 2022
21	MPB Construction Complete	October 18, 2022
22	SAB Construction Complete	November 16, 2022
23	PIDAS Operational	December 19, 2022
24	UPF Integrated Testing	July 6, 2023
25	Final DSA/TSR Approved	December 6, 2023
26	HCON Construction Complete	February 6, 2024
27	MAA Operational	April 2, 2024
28	Contractor Declaration of Readiness to Proceed	August 20, 2024
29	Complete Closure of DOE ORR Pre-Start Findings	November 27, 2024
30	UPF Scope Complete (CD-4 Achieved) * Assumes Contractor's Schedule Reserve Used)	August 31, 2025

APPENDIX B: Schedule of Values – Fee Liquidation Schedule

Interim Provisional Fee Liquidation Schedule								
Fiscal Year	MPB	SAB	PSF	MEB	Annual Fee Liquidated	Cumulative Fee Liquidated	Cum % Fee Liquidated	Balance of Fee Remaining
Prior to FY18PQ3	\$1,211,482	\$1,052,692	\$0	\$1,969,199	\$4,233,373	\$4,233,373	2.5%	\$164,282,493
FY18PQ3	\$863,872	\$490,799	\$11,508	\$1,503,394	\$2,869,573	\$7,102,946	4.2%	\$161,412,920
FY18Q4	\$5,519,628	\$3,492,342	\$407,104	\$1,059,818	\$10,478,892	\$17,581,838	10.4%	\$150,934,028
FY18 YE	\$7,594,981	\$5,035,833	\$418,613	\$4,532,411	\$17,581,838	\$17,581,838	10.4%	\$150,934,028
FY19Q1	\$4,169,585	\$1,977,125	\$135,712	\$662,044	\$6,944,466	\$24,526,304	14.6%	\$143,989,562
FY19Q2	\$4,346,051	\$1,703,902	\$140,586	\$603,572	\$6,794,111	\$31,320,416	18.6%	\$137,195,450
FY19Q3	\$6,566,102	\$3,866,325	\$329,050	\$438,712	\$11,200,188	\$42,520,604	25.2%	\$125,995,262
FY19Q4	\$5,747,714	\$4,067,586	\$177,521	\$857,472	\$10,850,293	\$53,370,897	31.7%	\$115,144,969
FY19 YE	\$20,829,452	\$11,614,938	\$782,869	\$2,561,801	\$35,789,059	\$53,370,897	31.7%	\$115,144,969
FY20Q1	\$5,841,476	\$4,074,135	\$207,074	\$797,882	\$10,920,567	\$64,291,464	38.2%	\$104,224,402
FY20Q2	\$6,962,791	\$2,618,334	\$140,604	\$661,873	\$10,383,602	\$74,675,066	44.3%	\$93,840,800
FY20Q3	\$7,264,024	\$1,498,168	\$96,263	\$270,799	\$9,129,254	\$83,804,320	49.7%	\$84,711,546
FY20Q4	\$6,961,660	\$997,341	\$264,672	\$238,197	\$8,461,870	\$92,266,190	54.8%	\$76,249,676
FY20 YE	\$27,029,951	\$9,187,979	\$708,612	\$1,968,752	\$38,895,293	\$92,266,190	54.8%	\$76,249,676
FY21Q1	\$3,755,940	\$525,380	\$351,644	\$106,656	\$4,739,621	\$97,005,812	57.6%	\$71,510,054
FY21Q2	\$2,905,339	\$613,984	\$407,629	\$5,975	\$3,932,927	\$100,938,739	59.9%	\$67,577,127
FY21Q3	\$2,686,389	\$969,362	\$323,116	\$0	\$3,978,867	\$104,917,606	62.3%	\$63,598,260
FY21Q4	\$2,955,987	\$1,892,185	\$302,974	\$0	\$5,151,146	\$110,068,752	65.3%	\$58,447,114
FY21 YE	\$12,303,655	\$4,000,912	\$1,385,364	\$112,631	\$17,802,561	\$110,068,752	65.3%	\$58,447,114
FY22Q1	\$2,025,459	\$1,140,689	\$263,861	\$0	\$3,430,009	\$113,498,761	67.4%	\$55,017,105
FY22Q2	\$2,640,492	\$1,210,238	\$178,710	\$0	\$4,029,440	\$117,528,202	69.7%	\$50,987,664
FY22Q3	\$2,118,218	\$432,700	\$92,406	\$0	\$2,643,324	\$120,171,526	71.3%	\$48,344,340
FY22Q4	\$1,402,129	\$457,443	\$185,013	\$0	\$2,044,585	\$122,216,111	72.5%	\$46,299,755
FY22 YE	\$8,186,298	\$3,241,070	\$719,991	\$0	\$12,147,359	\$122,216,111	72.5%	\$46,299,755
FY23Q1	\$927,161	\$443,084	\$58,619	\$0	\$1,428,864	\$123,644,975	73.4%	\$44,870,891
FY23Q2	\$912,514	\$521,537	\$139,708	\$0	\$1,573,759	\$125,218,734	74.3%	\$43,297,132
FY23Q3	\$1,821,642	\$818,380	\$210,693	\$0	\$2,850,715	\$128,069,449	76.0%	\$40,446,417
FY23Q4	\$1,159,456	\$224,943	\$13,987	\$0	\$1,398,386	\$129,467,835	76.8%	\$39,048,031
FY23 YE	\$4,820,774	\$2,007,944	\$423,007	\$0	\$7,251,724	\$129,467,835	76.8%	\$39,048,031
FY24Q1	\$1,791,270	\$163,334	\$0	\$0	\$1,954,604	\$131,422,439	78.0%	\$37,093,427
FY24Q2	\$1,170,568	\$2,103	\$0	\$0	\$1,172,671	\$132,595,109	78.7%	\$35,920,757
FY24Q3	\$1,150,725	\$0	\$0	\$0	\$1,150,725	\$133,745,834	79.4%	\$34,770,032
FY24Q4	\$1,066,859	\$0	\$0	\$0	\$1,066,859	\$134,812,693	80.0%	\$33,703,173
FY24 YE	\$5,179,422	\$165,437	\$0	\$0	\$5,344,858	\$134,812,693	80.0%	\$33,703,173
Subproject Total %	\$85,944,532	\$35,254,112	\$4,438,455	\$9,175,594	\$134,812,693	Unliquidated Balance:		\$33,703,173
	63.8%	26.2%	3.3%	6.8%				

Earned Fee Liquidation Schedule									
#	SCHEDULE MILESTONES	EARNED VALUE FEE	COMPLETION DATE	DEFERRAL DATE	DEFERRAL REDUCTION/ CALENDAR DAY	CY	\$ BY CY	% BY CY	CUM % BY CY
1	MEB in the Dry (Phase I Complete)	\$926,806	5/23/2019	8/14/2019	\$11,166				
2	Base/Topping Slabs Complete MPB/SAB	\$3,500,000	6/4/2019	8/14/2019	\$49,296				
3	MPB Walls to 27'	\$3,500,000	8/28/2019	10/29/2019	\$56,452				
4	MPB elevated Slabs (East & West)	\$3,500,000	11/7/2019	12/2/2019	\$140,000	2019	\$11,426,806	13.56%	13.56%
5	MEB Provide 1,100 tons of cooling	\$400,000	5/18/2020	8/3/2020	\$5,195				
6	MEB Construction Complete	\$1,750,000	6/15/2020	10/27/2020	\$13,060				
7	SAB in the Dry (Roof Decking Complete)	\$3,410,000	8/26/2020	10/8/2020	\$79,302				
8	MEB Provide 4,200 tons of Cooling	\$600,000	9/2/2020	9/2/2020	\$600,000				
9	Main Casting Glovebox Line Delivery Acceptance on Site	\$4,210,000	12/30/2020	12/30/2020	\$4,210,000	2020	\$10,370,000	12.31%	25.87%
10	MEB Supply Power for 40MVA Load	\$1,100,000	1/26/2021	1/26/2021	\$1,100,000				
11	MEB Scope Complete (CD-4 Achieved)	\$1,500,000	1/27/2021	3/18/2021	\$30,000				
12	Fire Hazard Analysis (Rev 0) Issued	\$660,000	2/4/2021	4/9/2021	\$10,313				
13	PSF in the Dry	\$1,000,000	2/24/2021	1/5/2022	\$3,175				
14	MEXHI/MEXLO Furnace and Glovebox R6000 Delivery Acceptance on Site	\$1,170,000	3/11/2021	6/23/2021	\$11,250				
15	MPB in the Dry	\$4,500,000	4/12/2021	7/6/2021	\$52,941				
16	ETCF Conversion Furnace and Glovebox R7300 Delivery Acceptance on Site	\$1,170,000	5/24/2021	6/23/2021	\$39,000				
17	Sintering Furnace and Glove Box R8000 Delivery Acceptance on Site	\$1,000,000	5/24/2021	6/23/2021	\$33,333				
18	MW Furnace Casting Glove Box Delivery Acceptance on site	\$2,500,000	6/23/2021	8/11/2021	\$51,020	2021	\$14,600,000	17.33%	43.20%
19	Chemical Recovery Calcination Qualification Testing Complete	\$1,170,000	1/4/2022	6/27/2022	\$6,724				
20	PSF Construction Complete	\$1,000,000	5/17/2022	11/29/2022	\$5,102				
21	MPB Construction Complete	\$4,000,000	10/18/2022	12/13/2022	\$71,429				
22	SAB Construction Complete	\$3,500,000	11/16/2022	11/29/2022	\$269,231				
23	PIDAS Operational	\$2,000,000	12/19/2022	12/30/2022	\$181,818	2022	\$11,670,000	13.85%	57.05%
24	UPF Integrated Testing	\$9,000,000	7/6/2023	9/19/2023	\$120,000				
25	Final DSA/TSR Approved	\$4,500,000	12/6/2023	1/16/2024	\$109,756	2023	\$13,500,000	16.02%	73.07%
26	HCON Construction Complete	\$1,000,000	2/6/2024	2/14/2024	\$125,000				
27	MAA Operational	\$2,000,000	4/2/2024	4/5/2024	\$666,667				
28	Contractor Declaration of Readiness to Proceed	\$12,500,000	8/20/2024	8/20/2024	\$12,500,000				
29	Complete Closure of DOE ORR Pre-Start Findings	\$5,000,000	11/27/2024	11/27/2024	\$5,000,000	2024	\$20,500,000	24.33%	97.40%
30	UPF Scope Complete (CD-4 Achieved)	\$2,191,127	8/31/2025	8/31/2025	\$2,191,127	2025	\$2,191,127	2.60%	100.00%
	Total Earned Value Fee	\$84,257,933					\$84,257,933		

APPENDIX C: Schedule Milestone Closure Evidence

The following standard closure evidence definitions apply to the schedule milestones:

1. For all fee requests - Evidence shall be provided documenting installation, completion, inspection, acceptance, and turnover of work scope, including any completed work packages, in accordance with the final design and applicable laws, regulations, codes, standards, and M&O contractor procedures, and specifications as well as contract terms/conditions. Additional requirements include:
 - a. The Contractor shall schedule a briefing with the UPF Subproject FPD and Contracting Officer prior to development of a fee request package. Formal documentation of the briefing shall be produced by the Contractor including UPF Subproject FPD and Contracting Officer comments on said document.
 - b. Transmittal letter that provides clear directions and permissions for accessing and reviewing objective completion evidence. Fee requests that do not contain sufficient navigation instructions shall not be evaluated.
2. For procurement related fee requests (e.g. receipt of systems, components, and material), the Contractor shall verify and document that all supplier engineering and quality verification document submittal requirements, as documented in the Purchase Order (PO) and associated revisions, are completed. The Contractor shall verify and document that material receipt, including visual inspection, material acceptance, receipt process, and detailed inspection requirements have been completed per the Material Receipt Instruction (MRI).
3. The Contractor shall schedule, a minimum of 5 days in advance, a walk down of completed work scope with the UPF Subproject FPD and Contracting Officer prior to development of a fee request package. For construction related fee requests, closed work packages are preferred. However, partially closed work packages can be provided as evidence if the scope not complete in the work package does not apply to the fee milestone. The Contractor shall identify construction scope by applicable Construction Work Packages (per Y17-95-64-800), associated inspection records and documented status of each (open, closed and pending). For construction work packages that cannot be closed because they contain scope not related to the fee milestone, the Contractor will provide a summary of the uncompleted scope and the basis for the documentation demonstrating successful completion of the milestone scope. Documented evidence of closed items and justified open items (CWPs and Inspection Records) will be provided as evidence for construction-related fee requests.
4. For acceptance or turnover (internal and external to the project) milestones – Inspections and turnover shall be performed and documented in accordance with Y15-95-912, UPF Completion and Turnover. This includes turnovers from construction to startup and startup to facility/system owner. Turnover from construction to startup shall be documented via approved Testing Turnover Packages. Turnover from startup to the facility/system owner shall include technical documentation (e.g. material certificates of conformance, receipt inspection, test reports, as built drawings, engineering determinations/verifications) per the Transition Documentation Checklist associated with the turnover.

Item #	Milestones	Definition of Complete
1	MEB in the Dry (Phase I Complete)	Installation, completion, inspection, and acceptance of Phase 1 work scope per the design. Inspections and area turnover shall be performed and documented in accordance with Y17-95-69-876, UPF Subcontract Management. Shell subcontractor turnover of the shell per design and subcontract terms/conditions shall be to the UPF Project and will include all relevant supporting documentation (e.g. material certificates of conformance, receipt inspection, test reports, as built drawings). All project documentation shall be captured in the UPF Document Management Center and maintained as a project record. All requirements of UPF standard closure evidence will apply.
2	Base/Topping Slabs Complete MPB/SAB	MPB/SAB Building base slab and topping slab concrete complete: The MPB/SAB base slab and topping slab are installed, inspection records are documented and in the project records database, and NCRs required to be addressed prior to installation of structural steel are closed and documented. This package excludes installation of final coatings (sealers, epoxies, fire proofing, etc.). All requirements of UPF standard closure evidence will apply.
3	MPB Walls to 27'	MPB Building first floor wall (0' to 27' elevation) concrete complete: The MPB first floor (0' to 27' elevation) walls are installed, inspection records are documented and in the project records database, and NCRs required to be addressed prior to installation of the elevated concrete slabs (27' elevation) are closed and documented. All requirements of UPF standard closure evidence will apply.
4	MPB Elevated Slabs (East & West)	All MPB 2nd level floor/topping slabs are installed, including concrete formwork, reinforcing steel (rebar) placement, embed placement (including embedded commodities), concrete placement and finishing for the east and west 2nd level floor. NCRs required to be addressed prior to beginning exterior walls above the first elevated slab are closed and documented. This package excludes installation of coatings (sealers, epoxies, fire proofing, etc.). All requirements of UPF standard closure evidence will apply.
5	MEB Provide 1,100 tons of cooling	MEB Air Handling Units designed, purchased, and installed to provide approximately 1,100 tons of cooling to cool the MEB and the SAB. NCRs required to be addressed prior to system acceptance by startup are closed and documented. Formal acceptance of completed MEB Subproject Air Handling Units turnover packages from UPF Construction by UPF Startup supported by standard closure evidence.
6	MEB Construction Complete	Installation, completion, inspection, and acceptance of work scope per the design. Construction complete for the Mechanical Electrical Building includes execution of Sitework, Concrete, Structural, Architectural, HVAC Equipment, Electrical Bunks, Electrical Equipment, Fireproofing, Building Roofing/Siding, HVAC Ductwork Interior Finishes, Fire Protection, HVAC Ductwork and Lightning Protection. Engineered systems are installed and the Category 1 construction turnover systems [Construction T/O System] as listed in Construction Maintenance and Operations Plan for Mechanical/Electrical Equipment Building (MEB), PL-PM-801768-A056, have been turned over via turnover acceptance package. Project documentation will be captured in the UPF Document Management Center and maintained as a project record. Evidence will include standard closure evidence, closure of inspection records and completion of construction component testing.
7	SAB in the Dry (Roof Decking Complete)	This includes the SAB building structural steel (columns and floor steel) required to install the metal roof deck and installation of the metal roof deck exclusive of construction openings as defined in "Construction Openings and the MPB, MEB, and SAB" document RP-CM-801768-A001. The inspection records for the efforts described are documented and in the project records database, and NCRs required to be addressed to install the roof membrane are closed and documented. All requirements of UPF standard closure evidence will apply.
8	MEB Provide 4,200 tons of Cooling	The MEB Subproject cooling system cooling towers and chillers are designed, purchased, and installed to provide approximately 4,200 tons of cooling from the chiller units. NCRs required to be addressed prior to system acceptance by startup are closed and documented. Formal acceptance of completed MEB Subproject Air Handling Units turnover packages from UPF Construction by UPF Startup supported by standard closure evidence.
9	Main Casting Glovebox Line Delivery Acceptance on Site	Receipt and acceptance of the equipment by UPF from the fabricator. The receipt and acceptance process verifies the quantity and quality of the equipment and that the equipment meets the specifications of the procurement. There are no UOS&Ds with a rejected status and UOS&Ds with NCRs have Engineering dispositions or approved conditional/interim dispositions that allow field installation of the procured item. The completion of the receiving and acceptance process is documented by issuance of the Material Receiving Report. All requirements of UPF standard closure evidence will apply.
10	MEB Supply Power for 40MVA Load	Completed MEB Subproject Electrical Turnover Packages for the MEB Subproject Electrical System, which includes the 13.8 KVA electrical feeder and duct bank from the UPF substation and MEB systems required to supply a maximum electrical load of approximately 40 MVA, approved and accepted from UPF Construction by UPF Startup. supported by standard closure evidence.; NCRs required to be addressed prior to operations with permanent loads connected to the 40MVA system are closed and documented. All requirements of UPF standard closure evidence will apply.
11	MEB Scope Complete	MEB CD-4: The MEB Subproject CD-4, Project Complete shall occur once required systems and facilities are installed, tested, commissioned, and beneficial occupancy is obtained by the project with the UPF Startup Group in control. MEB Subproject-specific closeout requirements is detailed in the MEB subproject PEP. All requirements of UPF standard closure evidence will apply.
12	Fire Hazard Analysis (Rev 0) Issued	CNS completion and issuance of Revision 0 of the UPF Fire Hazards Analysis to InfoWorks. All requirements of UPF standard closure evidence will apply.

13	PSF in the Dry	PSF, is "In the Dry" with a complete roof system, windows, exterior walls and/or metal siding installed; NCRs required to be addressed prior to installation of process equipment in the upper level of PSF are closed and documented. This work package includes erection of structural steel, exterior concrete walls and/or metal siding, roof decking and membrane, windows (including weather stripping and flashing), roof drainage systems and downspouts so that the building is weatherproof. This package does not include engineering support to the vendor, testing off bulk commodities (e.g. pipe, cable tray, and conduit), installation of any valves, sensors, controls systems, equipment communication systems, dampers, etc. associated with pre-modularized commodities. All requirements of UPF standard closure evidence will apply.
14	MEXHI/MEXLO Furnace and Glovebox R6000 Delivery Acceptance on Site	Receipt and acceptance of the equipment by UPF from the fabricator. The receipt and acceptance process verifies the quantity and quality of the equipment and that the equipment meets the specifications of the procurement. There are no UOS&Ds with a rejected status and UOS&Ds with NCRs have Engineering dispositions or approved conditional/interim dispositions that allow field installation of the procured item. The completion of the receiving and acceptance process is documented by issuance of the Material Receiving Report. All requirements of UPF standard closure evidence will apply.
15	MPB In the Dry	MPB, is "In the Dry" with a complete roof system, and exterior walls installed. MPB building concrete complete: The MPB building concrete for base slab, walls, and elevated slabs is installed, inspection records are documented and in the project records database, and NCRs related to the slabs concerned are closed and documented. MPB building structural steel complete: The MPB building structural steel required to install elevated slabs is installed, inspection records are documented and in the project records database, and NCRs related to the structural steel concerned are closed and documented. MPB building roofing complete. The MPB building roofing is installed and accepted (with exception of planned construction openings, and planned openings for future utilities installation), inspection records are documented and in the project records database. This package does not include engineering support to the vendor, testing off bulk commodities (e.g. pipe, cable tray, and conduit), installation of any valves, sensors, controls systems, equipment communication systems, dampers, etc. associated with pre-modularized commodities. All requirements of UPF standard closure evidence will apply.
16	ETCF Conversion Furnace and Glovebox R7300 Delivery Acceptance on Site	Receipt and acceptance of the equipment by UPF from the fabricator. The receipt and acceptance process verifies the quantity and quality of the equipment and that the equipment meets the specifications of the procurement. There are no UOS&Ds with a rejected status and UOS&Ds with NCRs have Engineering dispositions or approved conditional/interim dispositions that allow field installation of the procured item. The completion of the receiving and acceptance process is documented by issuance of the Material Receiving Report. All requirements of UPF standard closure evidence will apply.
17	Sintering Furnace and Glove Box R8000 Delivery Acceptance on Site	Receipt and acceptance of the equipment by UPF from the fabricator. The receipt and acceptance process verifies the quantity and quality of the equipment and that the equipment meets the specifications of the procurement. There are no UOS&Ds with a rejected status and no UOS&Ds that have generated any NCRs required to be addressed prior to installation of the procured item. The completion of the receiving and acceptance process is documented by issuance of the Material Receiving Report. All requirements of UPF standard closure evidence will apply.
18	MW Furnace Casting Glove Box Delivery Acceptance On Site	Receipt and acceptance of the equipment by UPF from the fabricator. The receipt and acceptance process verifies the quantity and quality of the equipment and that the equipment meets the specifications of the procurement. There are no UOS&Ds with a rejected status and UOS&Ds with NCRs have Engineering dispositions or approved conditional/interim dispositions that allow field installation of the procured item. The completion of the receiving and acceptance process is documented by issuance of the Material Receiving Report. All requirements of UPF standard closure evidence will apply.
19	Chemical Recovery Calcination Qualification Testing Complete	Successful Factory Acceptance Test and acceptance of the fabricators FAT report, UPF receipt/inspection/acceptance of the calciner after shipment to Development Testing Facility prior to qualification testing, and successful qualification testing by UPF with depleted uranium. Completion of milestone documented by the qualification test report. All requirements of UPF standard closure evidence will apply.
20	PSF Construction Complete	Installation, completion, inspection, and acceptance of work scope per the design and subproject terms/conditions. Construction complete for the Process Support Facility includes execution of Sitework, Concrete, Structural, Architectural, HVAC Equipment, Electrical Bulks, Electrical Equipment, Fireproofing, Building Roofing/Siding, HVAC Ductwork Interior Finishes, Fire Protection, HVAC Ductwork and Lightning Protection. Evidence will include closure of inspection records and completion of construction component testing. Project documentation will be captured in the UPF Document Management Center and maintained as a project record. The following systems have a completed turnover acceptance package: Demineralized Water-PSF (Non-Criticality Safe), Low Voltage Power-PSF, Wastewater-PSF, Nitric Acid Feed-PSF, Argon, Primary Confinement System, Nitrogen, Helium, Facility Monitoring and Control System-PSF, Medium Voltage Electrical Power-PSF. All requirements of UPF standard closure evidence will apply.

21	MPB Construction Complete	Installation, completion, inspection, and acceptance of work scope per the design and subproject terms/conditions. Construction complete for the Main Process Building includes execution of Sitework, Concrete, Structural, Architectural, HVAC Equipment, Electrical Bulks, Electrical Equipment, Fireproofing, Building Roofing/Siding, HVAC Ductwork Interior Finishes, Fire Protection, HVAC Ductwork and Lightning Protection. Evidence will include closure of inspection records and completion of construction component testing. Project documentation will be captured in the UPF Document Management Center and maintained as a project record. The following systems have a completed turnover acceptance package: Process Offgas, Low Voltage Power-MPB, Medium Voltage Electrical Power-MPB, Receipt and Packaging, Primary Confinement System, Knockout #2, Knockout #1, Recovery Furnace, Special Material Production, Oxide Material Production, High Metal Oxidation, Vacuum Annealing, Pickling, Low Metal Oxidation, Stack Loading #1, Arc Melter, Casting Receiving & Packaging, Batch Makeup, Sampling, Break & Shear, Tool Preparation & Storage, Microwave Casting #1, Microwave Casting #2, Microwave Casting #4, Microwave Casting #3, Facility Monitoring and Control System-MPB, Safety Detection and Response System-MPB, Secondary Confinement System, Tertiary Confinement System. All requirements of UPF standard closure evidence will apply.
22	SAB Construction Complete	Installation, completion, inspection, and acceptance of work scope per the design and subproject terms/conditions. Construction for the Salvage and Accountability Building includes execution of Sitework, Concrete, Structural, Architectural, HVAC equipment, Electrical/Instrumentation/Piping Bulks, and Electrical/Mechanical/Process Equipment, Fireproofing, Building Roofing/Siding, Coatings, Interior Finishes, Fire Protection, Firewater Equipment, and HVAC Ductwork and Lightning Protection. Evidence will include installation inspection records and records identifying completion of construction component testing, which will be captured in the UPF Document Management Center and maintained as a project record. The following systems have a completed turnover acceptance package: Primary Confinement System; Tertiary Confinement System; Wastewater; Process Cooling water; Process Offgas; Decontamination; Filter and Separate; Containers, Handling, & Storage, Safety Detection and Response System-SAB; Nitric Acid Feed; Non-Contaminated Floor Cleaning; Process Steam and Condensate; Low Voltage Power-SA; Waste Preparation; Recovery Evaporation; Calcination; Beaker Leaching; Secondary Confinement System; Contaminated Floor Cleaning; Facility Monitoring and Control System-SAB; Caustic Filtration-SAB; Non-Destructive Analysis. All requirements of UPF standard closure evidence will apply.
23	PIDAS Operational	PIDAS System testing includes the setup, checkout, and operation of SSCs as an overall system demonstrating functional acceptance criteria on a system level basis in accordance with the construction specifications and installation drawing requirements. Approved System test results documenting that each system operates in accordance with the functional requirements of the applicable design documents and meets the requirements of the respective approved functional acceptance criteria provided by Engineering. Includes formal receipt of approval to operate UPF-constructed PIDAS sections by NNSA per DOE O 473.3A and DOE O 470.4B.
24	UPF Integrated Testing	Approved Integrated System test packages for all UPF Structures, Systems, & Components with associated KPPs documenting completion of integrated testing as defined by the KPP Verification Plan. All requirements of UPF standard closure evidence will apply.
25	Final DSA/TSR Approved	The DSA/TSR submittal shall be suitable for review by having the format and content prescribed by DOE-STD-3009-94. The DSA/TSR approval shall meet the DOE-STD-1189-2008 and shall be approved by the NNSA Safety Basis Approval Authority by issuance of an SER such that if their are any Conditions of Approval within the SER they do not impact the start of nuclear operations.
26	HCON Construction Complete	HCON connector complete, HEUMF fire door in service for HEUMF Operations, includes construction completion of HCON opening into HEUMF and integration of any HCON utilities with UPF utility systems. All requirements of UPF standard closure evidence will apply.
27	MAA Operational	Nuclear Materials Control & Accountability and Site Security Plan inclusive of UPF Material Access Area are approved. The following approvals have been received: Certified TEMPEST Technical Authority approval of TEMPEST plan, Authorizing Official approval of cyber plans,and Technical Surveillance Counter-Measure (TSCM) testing completed and accepted by NPO. All requirements of UPF standard closure evidence will apply.
28	Contractor Declaration of Readiness to Proceed	Formal UPF declaration of readiness to proceed with the NNSA Operational Readiness Review in accordance with DOE O 425.1D.
29	Complete Closure of DOE ORR Pre-Start Findings	Formal DOE acceptance of closure of pre-start findings from the UPF Operational Readiness Review in accordance with DOE O 425.1D.
30	UPF CD-4	Key Performance Parameters and project completion criteria specified in the UPF Project Execution Plan are met. The UPF CD-4 approval letter/memorandum is signed by the DOE Project Management Executive. To support these final objectives the CD-4 will be conducted following the guidance provided in DOE Order 413.3B and DOE Guide 413.3-16A, Project Transition/Closeout Guide, for each UPF subproject. UPF subprojects will be complete when testing is successfully completed, all systems are turned over to Operations, and all documentation is transferred to the Facility Records Document Management Center. The overall UPF Project will be complete when all subprojects have been successfully completed.

APPENDIX D: Special Reporting Requirements

Unless expressly dictated (format/frequency) by a DOE Order, or as outlined below, the Contractor's format for completing the Contract Data Requirements List (CDRL) and Data Item Descriptions (DIDs) incorporated into the Contract by reference is acceptable.

DID #	TITLE	INSTRUCTION
DID-CST-0002/T	CONSTRUCTION MANAGEMENT PLAN	CONTRACTOR FORMAT
DID-CST-0003/T	CONSTRUCTION WORK PLAN	CONTRACTOR FORMAT
DID-CST-0004/T	CONSTRUCTION SAFETY PLAN	CONTRACTOR FORMAT
DID-ENG-0001/T	AS-BUILT CONFIGURATION LIST	CONTRACTOR FORMAT
DID-ENG-0002/T	AS-BUILT DRAWINGS	CONTRACTOR FORMAT
DID-ENG-0003/T	CODE OF RECORD DOCUMENT	CONTRACTOR FORMAT
DID-ENG-0009	DESIGN MASTER RECORD INDEX	CONTRACTOR FORMAT
DID-ENG-0021/T	ENGINEERING DRAWINGS	CONTRACTOR FORMAT
DID-ENG-0023/T	EQUIPMENT LIST	CONTRACTOR FORMAT
DID-ENG-0025/T	DESIGN CHANGE CONTROL PLAN	CONTRACTOR FORMAT
DID-ENG-0026	REQUEST FOR DEVIATION (OR REQUEST FOR VARIANCE)	CONTRACTOR FORMAT
OT-ENG-1027	DESIGN CRITERIA	CONTRACTOR FORMAT
OT-ENG-1028	ENGINEERING EXECUTION PLAN	CONTRACTOR FORMAT
OT-ENG-1029	MATERIAL & ENERGY BALANCE DESIGN ANALYSIS CALCULATIONS	CONTRACTOR FORMAT
OT-ENG-1030	PROCESS NARRATIVES	CONTRACTOR FORMAT
OT-ENG-1031	SCOPE OF FACILITIES	CONTRACTOR FORMAT
OT-ENG-1032	SYSTEM REQUIREMENT DOCUMENT	CONTRACTOR FORMAT
DID-EPC-0003*	FINAL NEPA DOCUMENTATION	CONTRACTOR FORMAT
DID-ITS-0002*	TECHNICAL REQUIREMENTS DOCUMENT	CONTRACTOR FORMAT
DID-ITS-0003*	CYBER SECURITY PLAN	CONTRACTOR FORMAT
DID-MGMT-81468/T	CONTRACT FUNDS STATUS REPORT	FORMAT PER FULL TEXT DID INCLUDED HEREIN
DID-OPS-0001	OPERATIONS AND MAINTENANCE PLAN	CONTRACTOR FORMAT
DID-OPS-0002*	STARTUP NOTIFICATION REPORT	CONTRACTOR FORMAT
DID-OPS-0003	STARTUP PLAN	CONTRACTOR FORMAT
DID-PM-0001/T	DOCUMENT OF TREND BOARD/CHANGE CONTROL BOARD MTGS	CONTRACTOR FORMAT
DID-PM-0002/T	CONFIGURATION MANAGEMENT DOCUMENT PICK LIST	CONTRACTOR FORMAT
DID-PM-0003*	CONFIGURATION MANAGEMENT PLAN	CONTRACTOR FORMAT
DID-PM-0004/T	PROJECT COMPLETION VERIFICATION	CONTRACTOR FORMAT
DID-PM-0005	DOCUMENT CONTROL PLAN	CONTRACTOR FORMAT
DID-PM-0006/T	EARNED VALUE MANAGEMENT (EVM) PLAN	CONTRACTOR FORMAT
DID-PM-0009	SYSTEMS ENGINEERING MANAGEMENT PLAN	CONTRACTOR FORMAT
DID-PM-0010	PROCUREMENT PLAN	CONTRACTOR FORMAT
DID-PM-0013/T	PROJECT MANAGEMENT PLAN	CONTRACTOR FORMAT
DID-PM-0014/T	PROJECT PERFORMANCE BASELINE CONTROL PLAN	CONTRACTOR FORMAT
DID-PM-0015/T	RECORDS MANAGEMENT PLAN	CONTRACTOR FORMAT

DID-PM-0016/T	REQUIREMENTS MANAGEMENT PLAN	CONTRACTOR FORMAT
DID-PM-0018/T	RISK MANAGEMENT PLAN	CONTRACTOR FORMAT
DID-PM-0019/T	RISK REGISTER	CONTRACTOR FORMAT
DID-PM-0022/T	WORK BREAKDOWN STRUCTURE AND WBS DICTIONARY	CONTRACTOR FORMAT
DID-PM-0023/T	CRITICAL PATH SCHEDULE	CONTRACTOR FORMAT
DID-PM-0024*	FIXED PRICE CONTRACT MILESTONE AND SCHEDULE STATUS REPORT	CONTRACTOR FORMAT
DID-PM-0026/T	MONTHLY PROJECT REPORT	FORMAT PER FULL TEXT DID INCLUDED HEREIN
DID-PM-0027/T	RESOURCE-LOADED SCHEDULE	CONTRACTOR FORMAT
DID-PM-0028	STATEMENT OF WORK	CONTRACTOR FORMAT
DID-PM-0029/T	TOTAL PROJECT COST	CONTRACTOR FORMAT
DID-PM-0030/T*	EMERGENCY MANAGEMENT PLAN	CONTRACTOR FORMAT
DID-PM-0031/T	QUALITY ASSURANCE PLAN	CONTRACTOR FORMAT
DID-PM-0034	COMMUNICATIONS MANAGEMENT PLAN	CONTRACTOR FORMAT
DID-PM-0035/T	PROJECT FUNDING REQUIREMENTS PROFILE	CONTRACTOR FORMAT
DID-PM-0036/T	FEDERAL PROJECT DIRECTOR MONTHLY PROJECT REVIEW	FORMAT PER FULL TEXT DID INCLUDED HEREIN
DID-PM-0037/T	DATA MANAGEMENT PLAN	CONTRACTOR FORMAT
DID-PM-0039/T	MASTER DOCUMENT LIST	CONTRACTOR FORMAT
DID-PM-0041/T	PROJECT CLOSEOUT REPORT	CONTRACTOR FORMAT
DID-PM-0056	ROOT CAUSE ANALYSIS	CONTRACTOR FORMAT
DID-PM-0059	CORRECTIVE ACTION PLAN	CONTRACTOR FORMAT
DID-PM-0066	INTEGRATED BASELINE REVIEW REPORT	CONTRACTOR FORMAT
DID-PM-0071	NONCONFORMANCE REPORT	CONTRACTOR FORMAT
OT-PM-1031	CONTRACTOR ASSURANCE SYSTEM (CAS)	CONTRACTOR FORMAT
DID-PRG-0001	CHECKOUT, TESTING, AND OPERATIONS ACCEPTANCE	CONTRACTOR FORMAT
DID-PRG-0004/T	KEY PROJECT ASSUMPTIONS	CONTRACTOR FORMAT
DID-PRG-0005*	OPERATIONS AND MAINTENANCE CONFIGURATION MANAGEMENT PLAN	CONTRACTOR FORMAT
DID-PRG-0006/T	PERFORMANCE BASELINE DEVELOPMENT PLAN	CONTRACTOR FORMAT
DID-PRG-0009/T	TRANSITION TO OPERATIONS PLAN	CONTRACTOR FORMAT
DID-PRG-0011*	PROGRAM REQUIREMENTS DOCUMENT	CONTRACTOR FORMAT
DID-PRG-0016*	PERFORMANCE WORK STATEMENT	CONTRACTOR FORMAT
DID-PRG-0019/T*	PROJECT DATA SHEET	CONTRACTOR FORMAT
DID-PRG-0022/T	INTEGRATED PROGRAM MANAGEMENT REPORT (IPMR)	FORMAT PER FULL TEXT DID INCLUDED HEREIN
DID-SAF-0003	OPERATIONAL READINESS REVIEW IMPLEMENTATION PLAN	CONTRACTOR FORMAT
DID-SAF-0004	FINAL HAZARDS ANALYSIS REPORT	CONTRACTOR FORMAT
DID-SAF-0005	HAZARDS ANALYSIS REPORT	CONTRACTOR FORMAT
DID-SAF-0010	TECHNICAL SAFETY REQUIREMENTS	CONTRACTOR FORMAT
DID-SAF-0011	DOCUMENTED SAFETY ANALYSIS	CONTRACTOR FORMAT
DID-SAF-0013/T	CONTRACTOR OPERATIONAL READINESS REVIEW PLAN OF ACTION	CONTRACTOR FORMAT
DID-SAF-0014/T*	INTEGRATED SAFETY MANAGEMENT PLAN	CONTRACTOR FORMAT
DID-SAF-0015*	SAFETY DESIGN CONTROL PLAN	CONTRACTOR FORMAT

DID-SAF-0016	FIRE HAZARDS ANALYSIS	CONTRACTOR FORMAT
DID-SAF-0017/T	OCCURRENCE REPORT	DOE O 232.2A Attachment 4
DID-SAF-0018/T	LESSONS LEARNED REPORT	CONTRACTOR FORMAT
DID-SAF-0019/T	OCCUPATIONAL SAFETY PLAN AND REPORTING	CONTRACTOR FORMAT
DID-SEC-0001/T	FINAL SECURITY VULNERABILITY ASSESSMENT	CONTRACTOR FORMAT
DID-SEC-0003/T	SECURITY PLAN	CONTRACTOR FORMAT
DID-SEC-0004/T*	SAFEGUARDS AND SECURITY REQUIREMENTS	CONTRACTOR FORMAT
OT-SEC-1006/T*	COMPREHENSIVE EMERGENCY MANAGEMENT SYSTEM	CONTRACTOR FORMAT

*Annotations noted in the Other Basis Records

DID-EPC-0003	Final NEPA Documentation	NEPA is a DOE programmatic requirement with UPO personnel as the point of contact. CNS will support as needed.
DID-ITS-0002	Technical Requirements Document	UPF Project IT is under the umbrella of the CNS CLIN 0001, IS&T organization, which is responsible for IT requirements management plans and cyber security plans. CNS will support as needed.
DID-ITS-0003	Cyber Security Plan	UPF Project IT is under the umbrella of the CNS CLIN 0001, IS&T organization, which is responsible for IT requirements management plans and cyber security plans. CNS will support as needed.
DID-OPS-0002	Startup Notification Report	The SNR is currently being produced by Y-12, CLIN 0001 and includes UPF.
DID-PM-0003	Configuration Management Plan	The CM plan is covered by the M&O CLIN 0001, CM Program (Y15-004PD) and its implementing procedures. The Y-12 CM program is owned by Y-12 Engineering. CNS will support as needed.
DID-PM-0024	Fixed Price Contract Milestone and Schedule Status Report	Fixed price arrangements are not contemplated for the to-go CD-2/3 work under negotiation. This DID would not be applicable until and unless a FFP arrangement is established.
DID-PM-0030/T	Emergency Management Plan	The UPF project operates under the security envelope that is the responsibility of the CNS CLIN 0001, M&O Safeguards, Security, and Emergency Services Organization. This Implementation Plan for the Comprehensive Emergency Management System is an M&O CLIN 0001, document.
DID-PRG-0005	Operations and Maintenance Configuration Management Plan	Control of key O&M activities is covered by the M&O CLIN 0001, CM program and its implementing procedures.
DID-PRG-0011	Program Requirements Document	The PRD is a DOE/NNSA requirement maintained by UPO personnel. CNS will support as needed.

DID-PRG-0016	Performance Work Statement	The PWS is not a contractor-produced deliverable, and may be superseded by the structure and content of CLIN 0002 of the prime contract and associated fee annexes. CNS will support and supply information as needed.
DID-PRG-0019/T	Project Data Sheet	The PDS is a summary of the cost and schedule for an NNSA construction project, and is submitted by the FPD. CNS will provide input for the development of the final PDS as required. Funding requirement information is included in the MPR. .
DID-SAF-0014/T	Integrated Safety Management Plan	The UPF project operates under the M&O CLIN 0001, ISM Program implementing policies and procedures. The requirements of this program are flowed to UPF.
DID-SAF-0015	Safety Design Control Plan	The Safety Design Control Plan contents are captured within the DSA/TSR and the UPF Safety Design Strategy. A separate deliverable will not be generated.
DID-SEC-0004/T	Safeguards and Security Requirements	The UPF project operates under the security envelope that is the responsibility of the CNS M&O CLIN 0001 Safeguards, Security, and Emergency Services Organization.
OT-SEC-1006/T	Comprehensive Emergency Management System	The UPF project operates under the security envelope that is the responsibility of the CNS M&O CLIN 0001 Safeguards, Security, and Emergency Services Organization.

U.S. Department of Energy National Nuclear Security Administration UPF Project Office Data Item Description (DID)	No: UPO-DID-MGMT-81468-T Rev: 0 Approval date: 01/24/2019

1. DID #

UPO-DID-MGMT-81468-T

2. APPROVAL DATE

January 24, 2019

3. TITLE

Contract Funds Status Report (CFSR)

4. LIMITATIONS

Not applicable.

5. APPLICABLE FORMS

Included herein.

6. DESCRIPTION/PURPOSE

The Contract Funds Status Report (CFSR), is to enable the project to supply funding data regarding NNSA contracts/projects to Federal Project Directors and Contracting Officers.

7. INTENDED USE/INTERRELATIONSHIPS

The Contract Funds Status Report (CFSR), DD Form 1586, Sample Format 1, is designed to supply funding data about NNSA contracts/projects to Federal Project Directors and Contracting Officers for: (a) updating and forecasting contract funds requirements for the identified project, (b) planning and decision making on funding changes to contracts for the identified project, (c) developing funds requirements and budget estimates in support of the identified project, (d) determining funds in excess of contract needs and available for deobligation, and (e) obtaining rough estimates of termination costs.

This Data Item Description (DID) contains the format and content preparation instructions for the data product generated by the specific and discrete task requirements as delineated in the contract.

This DID may be used in conjunction with the Contract Work Breakdown Structure DID, DID-PM-0022/T, and the Cost/Schedule Status Report DID, DID-PRG-0022/T.

Contractual Application. The CFSR is applicable to contracts for capital asset projects where EVMS is required. A CFSR should be prepared for each individual project with a unique PARS number. In blocks 9 through 14, the values entered should be for the specified project and not at the overarching contract level.

Level of Reporting. If a contract is funded with a single appropriation, a single line entry at the total contract level should be considered for CFSR reporting. Reporting by line item or WBS element will be limited to only those items or elements needed to support funds management requirements. A reduced level of reporting may be implemented on contracts (a) with projects less than \$100M; (b) that are for time and material; or (c) for which only limited funding requirements information is needed.

Multiple Appropriations. Where two or more appropriation sources are used for funding a single contract, contractors will segregate funds data by appropriation accounting reference. The Contracting Officer will supply the appropriation numbers applicable to individual line items or WBS elements. If a single line item or WBS element is funded by more than one appropriation, methods for segregating and reporting such information will be negotiated and specified in the contract.

Frequency and Submission. The CFSR will be a contractual requirement submitted to the Contracting Officer and reported as part of the PARS Upload. Unless otherwise provided in the contract, the CFSR will be prepared as of the end of each contractor business month. The required number of copies of the CFSR will be forwarded within 25 calendar days after the "as of" date of the report, or as otherwise specified in the contract.

Explanations of Terms.

Open Commitments. For this report, a commitment represents the estimated obligation of the contractor (excluding accrued expenditures) to vendors or subcontractors (based on the assumption that the contract will continue to completion).

Accrued Expenditures. For this report, include recorded or incurred costs as defined within the Allowable Cost, Fee and Payments Clause (FAR 52.216-7) for cost type contracts or the Progress Payments Clause (FAR 52.232-16) for fixed price type contracts, plus the estimated fee or profit earned. Such costs include:

Actual payments for services or items purchased directly for the contract.

Costs incurred, but not necessarily paid, for storeroom issues, direct labor, direct travel, direct other in-house costs and allocated indirect costs.

Progress payments made to subcontractors.

Pension costs provided they are paid at least quarterly.

Termination Costs. Although this report is prepared on the basis that the contract will continue to completion, it is necessary to report estimated termination cost by government fiscal year and generally by more frequent intervals on incrementally funded contracts. The frequency will be dependent on the funding need dates and should be compatible with the contract funding clauses, Limitation of Funds clause (cost type contracts) or Limitation of Obligation clause (fixed price type contracts). Termination costs include such items as loss of useful life of special tooling, special machinery and equipment; rental cost of unexpired leases; and settlement expenses. The definition of termination costs is included in FAR 31.205-42.

The CFSR data upload requirements may be “tailored” as defined in the PARS Upload Requirements.

8. PREPARATION/CONTENT INSTRUCTIONS AND REQUIREMENTS:

Format. Contractor formats should be substituted whenever they contain all the required data elements at the specific reporting levels in a form suitable for management.

Content. The CFSR shall contain the following information:

Item 1 - Contract Number. Enter the assigned contract number and the latest modification number on which contractual agreement has been reached

Item 2 - Contract Type. Enter the type of contract as identified in FAR Part 16 (e.g., Cost Plus Fixed Fee (CPFF), Fixed Price Incentive (FPI), etc.).

Item 3 – Contract Funding For. Enter the applicable type as follows:

Multi-Year Procurement (MYP)

Incrementally Funded Contract (INC)

Contract for a Single Year (SYC)

For FY. For contracts which are financed with funds appropriated in more than one fiscal year, a report is required for each fiscal year’s funds where the separate year’s funds in the contract are associated with specific quantities of hardware or services to be furnished. The fiscal year (s) being reported will be shown in this block and that year’s share of the total target prices (initial and adjusted) will be shown in Items 9 and 10.

Item 4 - Appropriation. Enter the appropriation name in this block.

Item 5 - Previous Report Date. Enter the cut-off date of the previous report. (Year, Month, Day)

Item 6 - Current Report Date. Enter the cut-off date applicable to this report. (Year, Month, Day)

Item 7 - Contractor. Enter the name and mailing address of the reporting contractor.

Item 8 - Program. Identify the project by name and PARS number.

Item 9 - Initial Contract Price. Enter the dollar amounts for the initial negotiated contract target price (or estimated price for non-incentivized contracts) and contract ceiling price when appropriate. For contracts which are financed with funds appropriated in more than one fiscal year, only the share of the total initial target and ceiling associated with the fiscal year shown in Item 3 will be entered.

Item 10 - Adjusted Contract Price. Enter the dollar amounts for the adjusted contract target price (initial negotiated contract plus supplemental agreements) and adjusted contract ceiling price or estimated ceiling price where appropriate. For contracts which are financed with funds appropriated in more than one fiscal year, only the share of the total adjusted target and ceiling associated with the fiscal year shown in Item 3 will be entered.

Item 11 - Funding Information

Column a. - Line Item/Work Breakdown Structure (WBS) Element. Enter the line item or WBS elements specified for CFSR coverage in the contract.

Column b. - Appropriation Identification. Enter the appropriation number for the contract or, if applicable, each line item or WBS element) will be shown in Items 9 and 10.

Column c. - Funding Authorized To Date. Enter dollar amounts of contract funding authorized under the contract from the beginning of the fiscal year(s) shown in Item 3 through the report date shown in Item 6.

Column d. - Accrued Expenditures Plus Open Commitments Total. For contract work authorized, enter the total of (a) the cumulative accrued expenditures incurred through the end of the reporting period, and (b) the open commitments on the "as of" date of the report. Enter the total applicable to funds for the fiscal year(s) covered by this report as shown in Item 3.

Separation of Open Commitments and Accrued Expenditures. On selected contracts, the separation of open commitments and accrued expenditures by line item or WBS element may be a negotiated requirement in the contract. Utilization of this provision should be held to the minimum essential to support information needs of NNSA. In the event this

separation of data is not available in the contractor's accounting system or cannot be derived without significant effort, provision should be made to permit use of estimates. The procedures used by the contractor in developing estimates shall be explained in the Remarks section of the report.

Notice of Termination. When a Notice of Termination has been issued, potential termination liability costs will be entered in this column. They will be identified to the extent possible with the source of liability (prime or subcontract).

Column e. - Contract Work Authorized - Definitized. For the fiscal year(s) shown in Item 3, enter the estimated price for the authorized work on which contractual agreement has been reached, including profit/fee, incentive and cost sharing associated with projected over/underruns. Amounts for contract changes will not be included in this item unless they have been priced and incorporated in the contract through a supplemental agreement.

Column f. - Contract Work Authorized - Not Definitized. Enter the contractor's estimate of the funds requirements for performing required work (e.g., additional agreements or changes) for which firm contract prices have not yet been agreed to in writing by the parties to the contract. Report values only for items for which written orders have been received. For incentive type contracts, show total cost to the Government (recognizing contractor participation). Enter in the Remarks section a brief but complete explanation of the reason for the change in funds.

Column g. - Subtotal. Enter the total estimated price for all work authorized on the contract (Column e. plus Column f.).

Column h. - Forecast - Not Yet Authorized. Enter an estimate of funds requirements, including the estimated amount for fee/profit, for changes proposed by the Government or by the contractor, but not yet directed by the contracting officer. In the Remarks section state each change document number and estimated value of each change.

Column i. - Forecast - All Other Work. Enter an estimate of funds requirements for additional work anticipated to be performed (not included in a firm proposal) which the contractor, based on his knowledge and experience, expects to submit to the Government within a reasonable period of time.

Column j. - Subtotal. Enter an estimate of total requirements for forecast funding (the sum of Column h. plus Column i.). Specific guidelines on what the contractor may include in the funding forecast section may be made a part of the contract.

Column k. - Total Requirements. Enter an estimate of total funds requirements for contract work authorized and forecast (the sum of Column g. plus Column j.).

Column l. - Funds Carryover. For incrementally funded contracts only, report the amount by which the prior federal fiscal year funding was in excess of the prior year's requirement. If there is no carryover, report zero. Specific instructions for the use of this item may be made a part of the contract.

Column m. - Net Funds Required. Enter an estimate of net funds required, subtracting funds carryover in Column l from total requirements in Column k.

Column Totals. Totals should be provided for Columns c through m. for all line items or WBS elements reported.

Item 12 - Contract Work Authorized (With Fee/Profit) - Actual Or Projected. Data entries will be as follows: In the first column, actuals cumulative to date; in all other columns except the last, projected cumulative amounts from the start of the contract to the end of the period indicated in the column heading; in the last column, the projected cumulative amounts from the start to the end of the contract or fiscal year being reported. When the contractor has developed a range of estimates at completion, the most likely estimate shall be used to develop the projected cumulative data in this item.

Column Headings. Columns 2 through 9 will be headed to indicate periods covering the life of the contract or fiscal year being reported and may be headed to show months, quarters, half years and/or fiscal years as prescribed by the contracting officer.

Data Composition. Projected data should include all planned obligations, anticipated accruals, anticipated over/under targets (total cost to the Government recognizing contractor participation), G&A, and fee/profit. For award fee contracts, the fee actually awarded will be included in Column 1, Actual to Date. The contractor shall describe in the Remarks section the amount, by period, and rationale for any award fee projections included in Columns 2 through 10.

Item 12.a. - Open Commitments. In the first column enter commitments open as of the date of the report. In subsequent columns enter the commitments projected to be open as of the end of each period indicated by the column headings. The amount entered will be the projected cumulative commitments less the planned cumulative expenditures as of the end of time period indicated. At the end of the contract, the amount will be zero.

Item 12.b. - Accrued Expenditures. In the first column enter actuals to date. In subsequent columns enter the projected cumulative accrued expenditures as of the end of each period indicated by the column headings.

Item 12.c. - Total (12.a. and 12.b.). In the columns provided, enter the total contract work authorized - actuals to date (Column 1) or projected (Columns 2 through 10). This total is the sum of open commitments and accrued expenditures projected through the periods indicated by the column headings. Significant changes in the amount or time-phasing of this item shall be explained in the Remarks section.

Item 13 - Forecast Of Billings To The Government. In the first column enter the cumulative amount received from the Government plus any unpaid billings to the Government through the current report date, including amounts applicable to progress or advance payments. In succeeding columns enter the amount expected to be billed to the Government during each period reported (assuming the contract will continue to completion). Amounts will not be cumulative.

Item 14 - Estimated Termination Costs. In the columns provided, enter the estimated costs that would be necessary to liquidate all government obligations if the contract were to be terminated in that period. These entries are the amounts required in addition to the amounts shown in Item 12. Applicable fee/profit should be included. These entries may consist of "rough order of magnitude" estimates and will not be construed as providing formal notification having contractual significance. This estimate will be used to assist the Government in budgeting for the potential incurrence of such cost. On contracts with Limitation of Funds/Obligation clauses, where termination costs are included as part of the funding information in Block 11, enter the amounts required for termination reserve on this line.

Remarks Section.

General. This section shall contain any additional information or remarks which support or explain data submitted in this report. At a minimum, the contractor shall present the following information: (a) explanations of funds changes; (b) procedures used to develop estimates of open commitments and accrued expenditures; (c) the amount and rationale for any award fee projections included in Item 12; (d) explanations of significant changes in the amount or time phasing of actual or projected total contract work authorized; and (e) any other information deemed significant or noteworthy. The contractor also shall provide a projected contract completion date that supports the funding projections in Item 12.

Changes. The Remarks section shall contain information regarding changes, as indicated below. A change in a line item shall be reported when the dollar amount reported in Item 11, Column k. of this submission differs from that reported in the preceding submission. The movement of dollar amounts from one column to another (Item 11, Columns e. through j.), indicating a change in the firmness of funds requirements, need not be reported in this section. Change reporting shall include the following: the location of the changed entry (page, line, and column); the dollar amount of the change; and a narrative explanation of the cause of each change.

CLASSIFICATION												
CONTRACT FUNDS STATUS REPORT (Dollars in)										Form Approved OMB No. 0704-0188		
The public reporting burden for this collection of information is estimated to average 8 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing the burden, to the Department of Defense, Washington Headquarters Services, Directorate for Information Operations and Reports (0704-0188), 1215 Jefferson Davis Highway, Suite 1204, Arlington, VA 22202-4302. Respondents should be aware that notwithstanding any other provision of law, no person shall be subject to any penalty for failing to comply with a collection of information if it does not display a currently valid OMB control number. PLEASE DO NOT RETURN YOUR COMPLETED FORM TO THE ABOVE ADDRESS.												
1. CONTRACT NUMBER		3. CONTRACT FUNDING FOR FOR FY		5. PREVIOUS REPORT DATE		7. CONTRACTOR (Name, address and zip code)		9. INITIAL CONTRACT PRICE				
2. CONTRACT TYPE		4. APPROPRIATION		6. CURRENT REPORT DATE		8. PROGRAM		10. ADJUSTED CONTRACT PRICE				
								a. TARGET				
								b. CEILING				
								a. TARGET				
								b. CEILING				
11. FUNDING INFORMATION												
LINE ITEM/WS ELEMENT a	APPROPRIATION IDENTIFICATION b	FUNDING AUTHORIZED TO DATE c	ACCRUED EXPENDITURES OPEN COMMITMENTS TOTAL d	CONTRACT WORK AUTHORIZED			FORECAST			TOTAL REQUIREMENTS e	FUNDS CARRY-OVER f	NET FUNDS REQUIRED g
				DERIVATIZED h	NOT DERIVATIZED i	SUBTOTAL j	NOT YET AUTHORIZED k	ALL OTHER WORK l	SUBTOTAL m			
12. CONTRACT WORK AUTHORIZED (With Fee/Profit) - ACTUAL OR PROJECTED												
		ACTUAL TO DATE										AT COMPLETION
a. OPEN COMMITMENTS												
b. ACCRUED EXPENDITURES												
c. TOTAL (12a + 12b)												
13. FORECAST OF BILLINGS TO THE GOVERNMENT												
14. ESTIMATED TERMINATION COSTS												
15. REMARKS												

DD FORM 1586, AUG 96 (EG) CLASSIFICATION PREVIOUS EDITION MAY BE USED. Page _____ of _____ Pages
Designed using Reforms Pro. WHS/OICR, Aug 96

9. END OF DID #

UPO-DID-MGMT-81468-T

U.S. Department of Energy National Nuclear Security Administration UPF Project Office Data Item Description (DID)	No: UPO-DID-PM-0026-T Rev: 0 Approval date: 01/24/2019

1. DID #

UPO-DID-PM-0026-T

2. APPROVAL DATE

January 24, 2019

3. TITLE

Monthly Project Report

4. LIMITATIONS

Not applicable.

5. APPLICABLE FORMS

Not Applicable.

6. DESCRIPTION/PURPOSE

The contractor is accountable for successful execution of the assigned scope of work in accordance with applicable requirements. Protection of worker and public safety, the environment, and security are essential and implicit elements of successful scope of work performance. Accordingly, the model for performance measurement is to rely on the contractor to comply with Department of Energy (DOE)/National Nuclear Security Administration (NNSA) contractual requirements; utilize national consensus standards; and employ appropriate measures, metrics, and evidence to manage the scope of work with appropriate risk management and transparency to the government.

7. INTENDED USE/INTERRELATIONSHIPS

The Monthly Project Report is intended to provide the Contracting Officer (CO) and the COR with the necessary information to determine contractor performance in accordance with contract requirements. The Performance Measurement Plan is intended to promote prudent contractor risk management and contractor accountability.

The Monthly Project Report shall be consistent with the following documents, where required under the Contract:

- The DOE/NNSA Cost Management Initiative (CMI) database in the Uniform Program Cost Reporting Structure (UPCRS);

- Key Project Assumptions (see DID-PRG-0004, Key Project Assumptions);
- Risk Management Plan (see DID-PM-0018, Risk Management Plan);
- Resource-Loaded Schedule (see DID-PM-0027, Resource-Loaded Schedule);
- Performance Measurement Baseline (see DID-PRG-0006, Performance Baseline);
- Earned Value Management Plan (see DID-PM-0006, Earned Value Management Plan); and
- Quality Assurance Plan (see DID-PM-0031, Quality Assurance Plan).

8. PREPARATION INSTRUCTIONS AND APPLICABLE DOCUMENTS

The Monthly Project Report shall be prepared in accordance with DOE/NNSA requirements. DOE Order (O) 413.3B, Program and Project Management for the Acquisition of Capital Assets, Attachment 1, Contractor Requirements Document, requires contractors with cost re-imbursement contracts to submit monthly project performance data starting no later than 3 months following Critical Decision (CD)-2, Approval of Baseline. The project performance data shall include:

- Earned value (see American National Standards Institute/Electronic Industries Alliance ANSI/EIA-748-B, Earned Value Management Systems);
- Earned value time-phased incremental cost and quantity;
- Management reserve;
- Schedule;
- Variance analysis; and
- Risk management data.

9. CONTENT INSTRUCTIONS

The Monthly Project Report shall describe how monthly reports of contractor performance will present cost, schedule, and technical performance in form and substance as required by the CO. Monthly general management reports shall be submitted to the CO that summarize schedule, labor, cost, and technical status, and provide explanations of variances from planned progress.

9.1 FRONT MATTER

The front matter of the Monthly Project Report shall contain the following information, at a minimum:

- 9.1.1 Cover (Title) Page. Include revision number, date of issue, and status, draft or final.
- 9.1.2 Revision Page. Identify change history.
- 9.1.3 Approval Page. Include in final publication.
- 9.1.4 Executive Summary.
- 9.1.5 Table of Contents.
- 9.1.6 List of Figures/Tables.

9.1.7 Acronyms/Abbreviations.

9.2 MAIN BODY

The main body of the Monthly Project Report shall include:

- Executive Summary
 - o Safety, Quality, Performance
 - o Management Summary Plan
 - o UPF Milestones and Critical Path
 - o Risk Mitigation
- Performance, TPC Management, and Funding
 - o Cost and Schedule Performance
 - o Start and Finish Metrics
 - o Trend Management
 - o Critical Path
 - o Staffing
 - o Funding
- Project Review
 - o ES&H
 - o Engineering and Technology
 - o Procurements
 - o Construction
 - o UPF Integration
 - o Quality
 - o Security

9.3 APPENDICES (OPTIONAL)

The Monthly Project Report appendices shall contain any general information that aids in understanding the document (e.g., glossary, acronyms) or information that should be published separately for convenience (e.g., technical data). Each appendix shall be referenced in the main body of the document where the data would normally have been provided. Appendices may or may not be bound as separate documents.

Appendix A to the Monthly Project Report shall be the content required by DID-PM-0036/T, Federal Project Director Monthly Report.

Appendix B shall be the month end critical path schedule.

10. END OF DID

UPO-DID-PM-0026-T

U.S. Department of Energy National Nuclear Security Administration UPF Project Office Data Item Description (DID)	No: UPO-DID-PM-0036-T Rev: 0 Approval date: 01/24/2019

1. DID #

UPO-DID-PM-0036-T

2. APPROVAL DATE

January 24, 2019

3. TITLE

Federal Project Director Monthly Project Review

4. LIMITATIONS

Not applicable.

5. APPLICABLE FORMS

Not Applicable.

6. DESCRIPTION/PURPOSE

The Federal Project Director (FPD) Monthly Project Review (MPR) is a meeting with accompanying presentation documentation, which provides the NNSA customer with details of the project's status (e.g., cost, schedule, and scope) and provides an opportunity to discuss project successes and difficulties. It is a time to discuss factors or issues that may impact on-time completion of project milestones so that these issues can be effectively addressed. A Monthly Project Review may be required for each project, and any subprojects that have received a Critical Decision-1. In addition, the frequency may be relaxed to quarterly at the request of the Contracting Officer, or Contracting Officer Representative.

7. INTENDED USE/INTERRELATIONSHIPS

The FPD MPRs are initiated following Critical Decision (CD)-1 approval, and are continued through project closeout. The FPD MPR is closely aligned with the all project reporting requirements (see DID-PRG-0013, Metrics Monthly Reporting Requirements; DID-PRG-0021, Monthly Status PARS II Report; DID-PM-0021, Task Order Status Report; and DID-PM-0024, Fixed Price Contract Milestone and Schedule Status Report); and the Project Management Plan (see DID-PM-0013, Project Management Plan).

8. PREPARATION INSTRUCTIONS AND APPLICABLE DOCUMENTS

The documents cited herein refer to the most recent versions or successor documents, if applicable. Department of Energy (DOE) Order (O) 413.3B, Program and Project Management for the Acquisition of Capital Assets, requires quarterly project reviews following CD-1 approval. Earned value metrics and project/subproject costs will be as of the most recent business close. All other elements will be contemporary and reflect the available information as of two weeks prior to the FPD MPR presentation.

A series of slides shall be prepared and provided in native format in support of the FPD MPR. General expectations requiring the format and content of the slide deck are described below. The exact slide by slide order and content will be provided by UPO to CNS via correspondence.

1. **Measure Against Performance Measurement Baselines - Subproject performance**
shall be reported against the approved schedule baselines as included in the Performance Measurement Baseline. CNS shall ensure the project is reported against the Performance Measurement Baseline for all data. Supplemental data against a forecast schedule may be provided at CNS's discretion.
2. **Editable Tables and Native Files**
Tables in the Monthly Project Review will be editable in the slide deck (presented and revised) so that slide elements may be edited by UPO with the respective submission. Upon UPO request, native files may be provided by CNS via e-mail or posted in a central location accessible by UPO.
3. **Government Furnished Information**
Some of the UPF project status CNS is directed to integrate may require information from National Nuclear Security Administration (NNSA). CNS shall provide a data request with a comprehensive list of NNSA information needed, a due date and a single point of contact to UPO. The due date shall support the slide deck delivery schedule noted in item 4 so that UPO has at least five (5) working days in advance of the due date to compile the needed information.
4. **Slide Deck Development Schedule**
CNS shall provide the monthly slide deck per the schedule below.

Event	Date
Final slide deck provided to UPO	At least 48 hours prior to the review
CNS presentation to UPO	No later than the 28th of each month.
Revised slide deck to UPO incorporating comments	No later than 48 hours after the CNS presentation

If these dates are unachievable in any month CNS shall coordinate with UPO to determine if the date for the review should be adjusted accordingly.

5. Earned Value Management System (EVMS) Metrics

Earned Value Management System (EVMS) metrics shall be as of the close of the prior month's reporting cycle; all other information shall be contemporary and reflect the available information as of two weeks prior to the presentation to UPO. Slides discussing cost, schedule, etc. should use the terms Baseline and Forecast; the term "Plan" should not be used. Metrics shall be presented against the baseline change proposal that incorporated the project's March 2, 2018 submitted schedule and March 21 Notice to Proceed with any subsequent approved baseline changes.

9. **END OF DID #**

UPO-DID-PM-0036-T

HISTORICAL

U.S. Department of Energy National Nuclear Security Administration UPF Project Office Data Item Description (DID)	No: UPO-DID-PRG-0022-T Rev: 0 Approval date: 01/24/2019

1. DID #

UPO-DID-PRG-0022-T

2. APPROVAL DATE

January 24, 2019

3. TITLE

Integrated Program Management Report (IPMR)

4. LIMITATIONS

Not applicable.

5. APPLICABLE FORMS

Not Applicable.

6. DESCRIPTION/PURPOSE

The Integrated Program Management Report (IPMR) is a management report that provides timely, reliable summary-level data to assess current and projected contract performance. It also provides contract cost and schedule performance data that is used to identify problems early and forecast future contract performance in the Earned Value Management System (EVMS). The IPMR conveys information about the performance of a program or contract, and is the primary means of documenting the ongoing communication between the contractor and the Federal Project Director (FPD) to report cost and schedule trends. The data contained in the IPMR should accurately reflect how work is being planned, performed, and measured, consistent with the actual contract status.

7. INTENDED USE/INTERRELATIONSHIPS

The IPMR contains data for measuring cost and schedule performance on Department of Energy (DOE) acquisition contracts. It is structured around seven formats that contain the content and relationships required for the electronic submissions. The IPMR is initiated prior to Critical Decision (CD)-2 and shall be used by the FPD to:

- Integrate cost and schedule performance data with technical performance measures;
- Identify the magnitude and impact of actual and potential problem areas

- causing significant cost and schedule variances; and
- Provide valid, timely program status information to higher management.

Format 1 defines cost and schedule performance data by product- oriented Work Breakdown Structure (WBS).

Format 2 defines cost and schedule performance data by the contractor's organizational structure (e.g., Functional or Integrated Product Team (IPT)).

Format 3 defines changes to the Performance Measurement Baseline (PMB).

Format 4 defines staffing forecasts.

Format 5 is a narrative report used to provide the required analysis of data contained in Formats 1-4 and 6.

Format 6 defines and contains the contractor's Integrated Master Schedule (IMS).

The IPMR's primary value to the Government is its utility in reflecting current contract status and projecting future contract performance. It will be used by the NNSA staff, including program managers, engineers, cost estimators, and financial management personnel, as a basis for communicating performance status with the contractor. NNSA will also use the IPMR data for the following purposes:

- Integrate cost and schedule performance data with objective technical measures of performance.
- Identify the magnitude and impact of realized and potential performance problem areas that may cause significant cost and schedule variances.
- Provide valid, timely, and accurate contract status information to Government leadership.
- The IPMR data must be consistent with the contractor's actual contract status.

The IPMR is used to obtain cost and schedule performance information on contracts requiring compliance with the American National Standards Institute/Electronic Industries Alliance Standard 748 (ANSI/EIA-748), Earned Value Management Systems (EVMS) (current version in effect at time of contract award). The IPMR data elements must reflect the output of the contractor's ANSI/EIA-748 compliant system, where applicable. The IPMR is closely aligned with the project's Earned Value Management Plan (see DID-PM-0006, Earned Value Management Plan) and the contract's Work Breakdown Schedule (WBS) (see DID-PM-0022, Work Breakdown Structure and WBS Dictionary).

Table 1. Six IPMR Formats

Title	Reporting Frequency	Description	Based on DoD
Format 1: WBS	Monthly	Reports performance data (BCWS, BCWP and ACWP) by reporting WBS elements for the current reporting period as well as cumulative to date. Cost and schedule variances are calculated and reported from the data. Identifies any reprogramming adjustments, BAC, EAC, and VAC by element. Also shows management reserve (MR) and undistributed budget (UB). The report shall be provided in dollars. The report shall be provided at the control account level, and shall also be provided at the work package level.	DD Form 2734/1
Format 2: Organizational Categories	Monthly	Reports the same data as Format 1, except containing organizational elements or IPT levels. Identifies major subcontractors and material separately.	DD Form 2734/2
Format 3: Baseline	Monthly/Quarterly	Budgeted time-phased baseline Performance Measurement Baseline (PMB) through program completion. This format shows significant baseline changes authorized during the reporting period. Data includes CBB, TAB, MR, UB, and completion dates. Report shall be provided in dollars and hours.	DD Form 2734/3
Format 4: Staffing	Monthly/Quarterly	Staffing data (Full-time equivalents) plotted over time and correlated to major milestones and activities on the contract schedule shows accuracy of labor levels. Staffing data in hours shall also be provided.	DD Form 2734/4
Format 5: Explanation and Problem Analyses	Monthly	Narrative explanation of key cost, schedule variances. Contractor describes underlying reasons, program impacts, and corrective action plans for significant drivers at the work package and at the total contract level. Includes analysis of MR, UB, and overall risk.	N/A
Format 6: Integrated Master Schedule	Monthly	Defines the schedule for completing the contract. Customer has access to month end Primavera files. Total month end schedule information is also included in the PARS II data.	N/A

8. PREPARATION INSTRUCTIONS AND APPLICABLE DOCUMENTS

The documents cited herein refer to the most recent versions or successor documents, if applicable. The IPMR shall be prepared in accordance with DOE/NNSA requirements and this DID. The IPMR data shall reflect the output of the contractor's ANSI/EIA-748 compliant EVMS. See DOE Order (O) 413.3B, *Program and Project Management for the Acquisition of Capital Assets*, and American National Standards Institute/Electronic Industries Alliance Standard ANSI/EIA-748, *Earned Value Management Systems (EVMS)*.

9. CONTENT INSTRUCTIONS

Formats 1-6 shall be submitted to UPO on the last calendar day following the reporting period. All Formats shall reflect the same reporting period.

9.1 FORMAT 1 - WORK BREAKDOWN STRUCTURE

The purpose of Format 1 is to isolate key cost and schedule variances, quantify the impact, analyze, and project future performance. Performance issues are isolated at the lowest level and analyzed for impact to overall cost and schedule variances. The form and instructions for Format 1, Work Breakdown Structure, are contained in Attachment

A. Format 1 provides data to measure cost and schedule performance by product-oriented WBS elements. Format 1 is based on the DoD DID DI-MGMT-81466A, *Contract Performance Report*, and associated DoD form DD 2734/1, *Work Breakdown Structure* (OMB No. 0704-0188), both of which have been tailored to meet DOE/NNSA's needs.

9.2 FORMAT 2 - ORGANIZATIONAL CATEGORIES

The purpose of Format 2 is same as Format 1, but provides for analysis at the organizational elements and/or IPT level(s) as well as identifies major subcontractor and material performance. The Format 2 provides for analysis by organizational elements and/or IPT level(s) as well as identifies major subcontractor and material performance. The form and instructions for Format 2, Organizational Categories, are contained in Attachment B. Format 2 provides the same data as Format 1, but it is arranged by organizational and/or functional categories in the contractor's project organization. Format 2 is based on the DoD DID DI-MGMT-81466A, *Contract Performance Report*, and associated form DD 2734/2, *Organizational Categories* (OMB No. 0704-0188), which has been tailored to meet DOE/NNSA's needs.

9.3 FORMAT 3 – BASELINE

The form and instructions for Format 3, Baseline, are contained in Attachment C. Format 3 provides the budget baseline plan against which performance is measured. Format 3 is based on the DoD DID DI-MGMT-81466A, *Contract Performance Report*, and associated form DD 2734/3, *Baseline* (OMB No. 0704-0188), which has been tailored to meet DOE/NNSA's needs.

9.4 FORMAT 4 – STAFFING

The form and instructions for Format 4, Staffing, are contained in Attachment D. Format 4 provides staffing forecasts for correlation with the budget plan and cost estimates. Format 4 is based on the DoD DID DI-MGMT-81466A, *Contract Performance Report*, and associated form DD 2734/4,

Staffing (OMB No. 0704-0188), which has been tailored to meet DOE/NNSA's needs.

9.5 FORMAT 5 - EXPLANATION AND PROBLEM ANALYSIS

The form and instructions for Format 5, Explanation and Problem Analysis, are contained in Attachment E. Format 5 is a narrative report used to explain significant cost and schedule variances and other identified contract problems and topics. The project will address LOE vs. Discrete performance by subproject on the IPMR Format 5 report. Format 5 is based on the DoD DID DI-MGMT-81466A, *Contract Performance Report*, and associated form DD 2734/5, *Explanation and Problem Analysis* (OMB No. 0704-0188), which has been tailored to meet DOE/NNSA's needs.

9.6 FORMAT 6 - INTEGRATED MASTER SCHEDULE

Customer has access to month end Primavera files. Total month end schedule information is also included in the PARS II data.

NOTE: See Other Basis Records (OBR) for details on Attachment A – Formats 1-6.

10. END OF DID #

UPO-DID-PRG-0022/T

APPENDIX E: Work Breakdown Structure (WBS)

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WBS	Level	Charge Code	Title	Scope	Method of Accomplishment	Deliverables / Execution Strategy
1.07.02.09.45.50.20.21.24	SWP	O5NO2400	FTP Tanks\Storage Facilities Procurement	FTP Procurement of Tanks and Storage Facilities to include: • Metallic Tanks • Non-Metallic Tanks • Bins and Silos • Boxes and Sumps	Method of Accomplishment for this scope of work (FTP Tanks/Storage Facilities Procure) will be completed based on execution, maintenance and closure of procurement contract awards.	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work (FTP Tanks/Storage Facilities Procure)
1.07.02.09.45.50.20.21.26	SWP	O5NO2600	FTP Water Treatment (Skids) Procurement	Procurement of Water Treatment (skids) to include: • Make-up/Condensate Demin • Potable Water • Raw Water • Waste Water • Chemical Feed Water	Method of Accomplishment for this scope of work (FTP Water Treatment (Skids) Procurement) will be completed based on execution, maintenance and closure of procurement contract awards.	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work (FTP Water Treatment (Skids) Procurement)
1.07.02.09.45.50.20.21.27	SWP	O5NO2700	FTP Other Mechanical Procurement	FTP Procurement of other mechanical equipment to include: • Packaged Units/Modules • Filters, Mixers, Blenders • Centrifuge • HVAC EQ and DUCTWORK • Elevators and Lifts • Stacks and Chimneys • Misc. Field Material	Method of Accomplishment for this scope of work (FTP Other Mechanical Procurement) will be completed based on execution, maintenance and closure of procurement contract awards.	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work (FTP Other Mechanical Procurement)
1.07.02.09.45.50.20.21.28	SWP	O5NO2800	FTP Electrical Procurement	FTP Procurement of electrical equipment to include: • Transformers • Bus Duct • Power Distribution (MCCs) • Generators • Transfer Switches • Relays • Lighting • Heat Trace • Grounding • Cathodic Protection • Comms and Security	Method of Accomplishment for this scope of work (FTP Electrical Procurement) will be completed based on execution, maintenance and closure of procurement contract awards.	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work (FTP Electrical Procurement)
1.07.02.09.45.50.20.41.10	SWP	O5SOS300	FTP System Testing	BNI labor resources to support discrete tasks associated with System Testing of the engineered systems and sub-systems associated with the FTP.	BNI Startup Direct Hire & BNI Construction Craft	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work.
1.07.02.09.45.50.20.41.30	SWP	O5SOS200	FTP Component Testing	BNI labor resources to support discrete tasks associated with Component Testing of the engineered systems and sub-systems associated with the FTP.	BNI Startup Direct Hire & BNI Construction Craft	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work.
1.07.02.09.45.50.20.41.40	SWP	O5SOS100	FTP Testing Turnover	BNI labor resources to support discrete tasks associated with Testing Turnover of the engineered systems and sub-systems associated with the FTP.	BNI Startup Direct Hire	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work.
1.07.02.09.45.50.20.41.50	SWP	O5SOS500	FTP Owner Turnover	BNI labor resources to support discrete tasks associated with Owner Turnover of the engineered systems and sub-systems associated with the FTP.	BNI Startup Direct Hire	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work.

1.07.02.09.45.50.30.21.28	SWP	O6MO2800	SDG Electrical Procurement	Installation of electrical equipment to include: • Transformers • Bus Duct • Power Distribution (SWBD, PDPs, PPs) • Generators • Transfer Switches • Relays • Lighting • Heat Trace • Grounding • Cathodic Protection • Comms and Security • UPS • VFD and Motor Starters	Method of Accomplishment for this scope of work (SDG Electrical Procurement) will be completed based on execution, maintenance and closure of procurement contract awards.	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work (SDG Electrical Procurement)
1.07.02.09.45.50.30.41.10	SWP	O6SOS300	SDG System Testing	BNI labor resources to support discrete tasks associated with System Testing of the engineered systems and sub-systems associated with the SDG.	BNI Startup Direct Hire & BNI Construction Craft	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work.
1.07.02.09.45.50.30.41.20	SWP	O6SOS400	SDG Integrated Testing	BNI labor resources to support discrete tasks associated with Integrated Testing of the engineered systems and sub-systems associated with the SDG.	BNI Startup Direct Hire	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work.
1.07.02.09.45.50.30.41.30	SWP	O6SOS200	SDG Component Testing	BNI labor resources to support discrete tasks associated with Component Testing of the engineered systems and sub-systems associated with the SDG.	BNI Startup Direct Hire & BNI Construction Craft	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work.
1.07.02.09.45.50.30.41.40	SWP	O6SOS100	SDG Testing Turnover	BNI labor resources to support discrete tasks associated with Testing Turnover of the engineered systems and sub-systems associated with the SDG.	BNI Startup Direct Hire	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work.
1.07.02.09.45.50.30.41.50	SWP	O6SOS500	SDG Owner Turnover	BNI labor resources to support discrete tasks associated with Testing Turnover of the engineered systems and sub-systems associated with the SDG.	BNI Startup Direct Hire	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work.
1.07.02.09.45.50.40.20.21	SWP	OGNO2100	SAB/PSB Pumps, Drivers and Skids	SAB/PSB Procurement of Pumps, Drivers and Skids, to include: • Centrifugal pumps • Mag Drive pumps • Gear Drive Pumps • Process Skids (BOA)	Method of Accomplishment for this scope of work (SAB/PSB - Pumps, Drivers & Skids) will be completed based on execution, maintenance and closure of procurement contract awards.	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work (SAB/PSB - Pumps, Drivers & Skids)
1.07.02.09.45.50.40.20.27	SWP	OGNO2700	SAB/PSB - Other Mechanical	SAB/PSB - Other Mechanical		0
1.07.02.09.45.50.40.20.38	SWP	OGNO3800	SAB/PSB - Gloveboxes	SAB/PSB - Gloveboxes		0
1.07.02.09.45.50.40.21.21	SWP	O1NO2100	SAB/PSB - Pumps, Drivers & Skids	SAB/PSB Procurement (Perm. Equipment) of Pumps, Drivers and Skids, to include: • Centrifugal pumps • Mag Drive pumps • Gear Drive Pumps • Process Skids (BOA)	Method of Accomplishment for this scope of work (SAB/PSB - Pumps, Drivers & Skids) will be completed based on execution, maintenance and closure of procurement contract awards.	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work (SAB/PSB - Pumps, Drivers & Skids)
1.07.02.09.45.50.40.21.23	SWP	O1NO2300	SAB/PSB - Heat Exchangers	SAB/PSB Procurement of Heat Exchangers to include: • Shell and Tube Exchangers • Air-cooled Exchangers • Cooling Towers • Condensers • Evaporators	Method of Accomplishment for this scope of work (SAB/PSB - Heat Exchangers) will be completed based on execution, maintenance and closure of procurement contract awards.	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work (SAB/PSB - Heat Exchangers)

1.07.02.09.45.50.40.21.24	SWP	O1NO2400	SAB/PSB - Tanks & Storage Facilities	SAB/PSB Procurement of Tanks and Storage Facilities to include: • Metallic Tanks • Non-Metallic Tanks • Bins and Silos • Boxes and Sumps	Method of Accomplishment for this scope of work (SAB/PSB - Tanks & Storage Facilities) will be completed based on execution, maintenance and closure of procurement contract awards.	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work (SAB/PSB - Tanks & Storage Facilities)
1.07.02.09.45.50.40.21.25	SWP	O1NO2500	SAB/PSB - Material Handling & Processing	SAB/PSB Procurement of Material Handling & Processing Facilities to include: • Conveyors • Cranes-Hoists-Trolleys • Feeders • Screens • Crusher/Mills	Method of Accomplishment for this scope of work (SAB/PSB - Material Handling & Processing) will be completed based on execution, maintenance and closure of procurement contract awards.	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work (SAB/PSB - Material Handling & Processing)
1.07.02.09.45.50.40.21.26	SWP	O1NO2600	SAB/PSB - Water Treatment (Skids)	SAB/PSB Procurement of Water Treatment (skids) to include: • Make-up/Condensate Demin • Potable Water • Raw Water • Waste Water • Chemical Feed Water	Method of Accomplishment for this scope of work (SAB/PSB - Water Treatment (Skids)) will be completed based on execution, maintenance and closure of procurement contract awards.	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work (SAB/PSB - Water Treatment (Skids))
1.07.02.09.45.50.40.21.27	SWP	O1NO2700	SAB/PSB - Other Mechanical	SAB/PSB Procurement of other mechanical equipment to include: • Packaged Units/Modules • Filters, Mixers, Blenders • Centrifuge • HVAC EQ and DUCTWORK • Elevators and Lifts • Stacks and Chimneys • Misc. Field Material	Method of Accomplishment for this scope of work (SAB/PSB - Other Mechanical) will be completed based on execution, maintenance and closure of procurement contract awards.	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work (SAB/PSB - Other Mechanical)
1.07.02.09.45.50.40.21.28	SWP	O1NO2800	SAB/PSB Electrical	Procurement of electrical equipment to include: • Transformers • Bus Duct • Power Distribution (SWBD, PDPs, PPs) • Generators • Transfer Switches • Relays • Lighting • Heat Trace • Grounding • Cathodic Protection • Comms and Security • UPS • VFD and Motor Starters	Method of Accomplishment for this scope of work (SAB/PSB Electrical) will be completed based on execution, maintenance and closure of procurement contract awards.	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work (SAB/PSB Electrical)
1.07.02.09.45.50.40.21.38	SWP	O1NO3800	SAB/PSB - Gloveboxes	SAB/PSB Procurement of gloveboxes and associated equipment to include: • Casting • Process equipment • Specialty Items (samplers, process reactors, pack-repack, etc.) • Turnkey Packaged Systems	Method of Accomplishment for this scope of work (SAB/PSB - Gloveboxes) will be completed based on execution, maintenance and closure of procurement contract awards.	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work (SAB/PSB - Gloveboxes)
1.07.02.09.45.50.40.41.10	SWP	O1SOS300	SAB/PSB System Testing	BNI labor resources to support discrete tasks associated with System Testing of the engineered systems and sub-systems associated with the SAB/PSB.	BNI Startup Direct Hire & BNI Construction Craft	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work.
1.07.02.09.45.50.40.41.20	SWP	O1SOS400	SAB/PSB Integrated Testing	BNI labor resources to support discrete tasks associated with Integrated Testing of the engineered systems and sub-systems associated with the SAB/PSB.	BNI Startup Direct Hire	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work.
1.07.02.09.45.50.40.41.30	SWP	O1SOS200	SAB/PSB Component Testing	BNI labor resources to support discrete tasks associated with Component Testing of the engineered systems and sub-systems associated with the SAB/PSB.	BNI Startup Direct Hire & BNI Construction Craft	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work.

1.07.02.09.45.50.40.41.40	SWP	O1SOS100	SAB/PSB Testing Turnover	BNI labor resources to support discrete tasks associated with Testing Turnover of the engineered systems and sub-systems associated with the SAB/PSB.	BNI Startup Direct Hire	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work.
1.07.02.09.45.50.40.41.50	SWP	O1SOS500	SAB/PSB Owner Turnover	BNI labor resources to support discrete tasks associated with Owner Turnover of the engineered systems and sub-systems associated with the SAB/PSB.	BNI Startup Direct Hire	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work.
1.07.02.09.45.50.50.11.05	SWP	O8EC0000	SAB Civil	SAB Civil Engineering labor resources required to support discrete design tasks such as Confirmed Design deliverables, Vendor reviews, and close-out.	Engineering Labor Resources	Through completion of Subproject
1.07.02.09.45.50.50.11.10	SWP	O8ES0000	SAB Structural	SAB Structural Engineering labor resources required to support discrete design tasks such as Confirmed Design deliverables, Vendor reviews, and close-out.	UPF direct-hire staff	Through completion of Subproject
1.07.02.09.45.50.50.11.15	SWP	O8EA0000	SAB Architectural	Engineering labor resources required to support discrete SAB Architectural discipline design tasks such as Confirmed Design deliverables and close-out.	Engineering Labor Resources	Through completion of Subproject
1.07.02.09.45.50.50.11.20	SWP	O8EM0000	SAB Mechanical	Engineering labor resources required to support discrete SAB Mechanical discipline design tasks such as Confirmed Design deliverables and close-out.	Engineering Labor Resources	Through completion of Subproject
1.07.02.09.45.50.50.11.25	SWP	O8EL0000	SAB MET - Welding	Engineering labor resources required to support discrete SAB MET discipline design tasks such as Confirmed Design deliverables and close-out.	Engineering Labor Resources	Through completion of Subproject
1.07.02.09.45.50.50.11.30	SWP	O8EP0000	SAB Piping	Engineering labor resources required to support discrete SAB Piping discipline design tasks such as Confirmed Design deliverables and close-out.	Engineering Labor Resources	Through completion of Subproject
1.07.02.09.45.50.50.11.35	SWP	O8EZ0000	SAB Fire Protection	Engineering labor resources required to support discrete SAB Fire Protection discipline design tasks such as Confirmed Design deliverables and close-out.	Engineering Labor Resources	Through completion of Subproject
1.07.02.09.45.50.50.11.40	SWP	O8EH0000	SAB HVAC	Engineering labor resources required to support discrete SAB HVAC discipline design tasks such as Confirmed Design deliverables and close-out.	Engineering Labor Resources	Through completion of Subproject
1.07.02.09.45.50.50.11.45	SWP	O8EJ0000	SAB Process	Engineering labor resources required to support discrete SAB Process discipline design tasks such as Confirmed Design deliverables and close-out.	Engineering Labor Resources	Through completion of Subproject
1.07.02.09.45.50.50.11.50	SWP	O8ED0000	SAB Plant Design	Engineering labor resources required to support discrete SAB Plant Design discipline design tasks such as Confirmed Design deliverables and close-out.	Engineering Labor Resources	Through completion of Subproject
1.07.02.09.45.50.50.11.55	SWP	O8EE0000	SAB Electrical	Engineering labor resources required to support discrete SAB Electrical discipline design tasks such as Confirmed Design deliverables and close-out.	Engineering Labor Resources	Through completion of Subproject
1.07.02.09.45.50.50.11.60	SWP	O8EI0000	SAB I&C	Engineering labor resources required to support discrete SAB I&C discipline design tasks such as Confirmed Design deliverables and close-out.	Engineering Labor Resources	Through completion of Subproject
1.07.02.09.45.50.50.11.65	SWP	O8EN0000	SAB SAFETY BASIS - NCS	Engineering labor resources required to support discrete SAB Nuclear Safety discipline design tasks such as Confirmed Design deliverables and close-out.	Engineering Labor Resources	Through completion of Subproject
1.07.02.09.45.50.50.11.70	SWP	O8EF0000	SAB SAFETY BASIS - Facility Safety	Engineering labor resources required to support discrete SAB Facility Safety discipline design tasks such as Confirmed Design deliverables and close-out.	Engineering Labor Resources	Through completion of Subproject
1.07.02.09.45.50.50.11.75	SWP	O8EX0000	SAB Glovebox	Engineering labor resources required to support discrete SAB Glovebox discipline design tasks such as Confirmed Design deliverables and close-out.	Engineering Labor Resources	Through completion of Subproject

1.07.02.09.45.50.50.11.80	SWP	O8EY0000	SAB Vendor Doc Review	SAB Vendor Doc Review Engineering labor resources required to support discrete design tasks such as Confirmed Design deliverables, Vendor reviews, and close-out.	Engineering Labor Resources	Through completion of Subproject
1.07.02.09.45.50.50.20.12	SWP	OMNO1200	SAB/PSB Concrete (and Concrete Related)	Scope of this Planning Package includes procurement costs of all Building concrete required for SAB/PSB system operations. This includes scope for vendors to submit design deliverables for project review, vendor drawings, supplier quality, testing, shipping and, if needed, any storage require. This does not include procurement NM support hours to manage this procurement, nor any engineering support to the vendor.	Method of Accomplishment for this scope of work will be completed based on execution, maintenance and closure of procurement contract awards.	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work.
1.07.02.09.45.50.50.20.13	SWP	OMNO1300	SAB/PSB Building Structural & Misc Steel	Scope of this Planning Package includes procurement costs of all Structural Steel required for SAB/PSB system operations. This includes scope for vendors to submit design deliverables for project review, vendor drawings, supplier quality, testing, shipping and, if needed, any storage require. This does not include procurement NM support hours to manage this procurement, nor any engineering support to the vendor.	This Planning Package will be converted to individual procurement work packages for execution of suppliers scope at or prior to procurement award.	Fabrication, Receipt and Acceptance of materials purchased. Refer to Material Requisition and Purchase Order Award Documents.
1.07.02.09.45.50.50.20.15	SWP	OMNO1500	SAB/PSB Piping	Scope of this Planning Package includes procurement costs of all Miscellaneous FLEX HOSE required for SAB/PSB system operations. This includes scope for vendors to submit design deliverables for project review, vendor drawings, supplier quality, testing, shipping and, if needed, any storage require. This does not include procurement NM support hours to manage this procurement, nor any engineering support to the vendor.	This Planning Package will be converted to individual procurement work packages for execution of suppliers scope at or prior to procurement award.	Fabrication, Receipt and Acceptance of materials purchased. Refer to Material Requisition and Purchase Order Award Documents.
1.07.02.09.45.50.50.20.17	SWP	OMNO1700	SAB/PSB Instrumentation	Scope of this Planning Package includes procurement costs of all Instrumentation required for SAB/PSB system operations. This includes scope for vendors to submit design deliverables for project review, vendor drawings, supplier quality, testing, shipping and, if needed, any storage require. This does not include procurement NM support hours to manage this procurement, nor any engineering support to the vendor.	This Planning Package will be converted to individual procurement work packages for execution of suppliers scope at or prior to procurement award.	Fabrication, Receipt and Acceptance of materials purchased. Refer to Material Requisition and Purchase Order Award Documents.
1.07.02.09.45.50.50.21.11	SWP	O8NO1100	SAB/PSB Building Sitework	Procurement of SAB/PSB civil/architectural/structural bulk materials for all UPF direct-hire work, including: • Grading • Sewage/Drainage • Manholes/Boxes • Wells, Soil Tests • Piles and Caissons • Mass Fill		0
1.07.02.09.45.50.50.21.12	SWP	O8NO1200	SAB/PSB Building Concrete	SAB/PSB Procurement of civil/architectural/structural bulk materials for all UPF direct-hire work, including: • Anchor bolts • Embeds • Rebar • Concrete	Method of Accomplishment for this scope of work (SAB/PSB Building Concrete) will be completed based on execution, maintenance and closure of procurement contract awards.	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work (SAB/PSB Building Concrete)
1.07.02.09.45.50.50.21.13	SWP	O8NO1300	SAB/PSB Building SS	SAB/PSB Procurement of civil/architectural/structural bulk materials for all UPF direct-hire work, including: • Misc. Steel • Structural Steel • Racks-Grids-Platforms	Method of Accomplishment for this scope of work (SAB/PSB Building SS) will be completed based on execution, maintenance and closure of procurement contract awards.	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work (SAB/PSB Building SS)

1.07.02.09.45.50.50.21.14	SWP	O8NO1400	SAB/PSB Building Architectural	Procurement of civil/architectural/structural bulk materials for all UPF direct-hire work, including: • Architectural Specialties (non-paint, non-coating items) • Furnishing • Masonry • Plumbing • Security Gates/Doors/Barriers/Ports • Office/Medical/Lab equipment, storage and carts	Method of Accomplishment for this scope of work (SAB/PSB Building Architectural) will be completed based on execution, maintenance and closure of procurement contract awards.	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work (SAB/PSB Building Architectural)
1.07.02.09.45.50.50.21.15	SWP	O8NO1500	SAB/PSB Piping Procurement	Procurement of bulk piping associated commodities for UPF direct-hire work. Includes: • Pipe Hangers • Miscellaneous Flex Hose • Manual Valves • Spooled Pipe • Bulk Pipe (non-spooled) • Plumbing Pipe (LB and SB) • Plumbing fixtures • Flange Bolts and Flange Insulation Kits • Specialty Pipe Fittings	Method of Accomplishment for this scope of work (SAB/PSB Piping) will be completed based on execution, maintenance and closure of procurement contract awards.	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work (SAB/PSB Piping)
1.07.02.09.45.50.50.21.16	SWP	O8NO1600	SAB/PSB Electrical Bulks Procurement	Procurement of bulk electrical commodities for UPF direct-hire work, including: • Distribution Panel Boards • Security Alarms • Electrical Bulk Components: Building Electrical Wire, Fiber Cable and Lighting Fixtures, Distribution Transformers, Communications - ENS/PA, Cathodic Protection, Local Control Stations/Switches, Conduit Supports, Cable Tray Supports, Control Cable, Classified and Unclassified Telecommunications Bulks, Junction boxes, light switches, receptacles, DC batteries and chargers.	Method of Accomplishment for this scope of work (SAB/PSB Electrical Bulks) will be completed based on execution, maintenance and closure of procurement contract awards.	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work (SAB/PSB Electrical Bulks)
1.07.02.09.45.50.50.21.17	SWP	O8NO1700	SAB/PSB Instrumentation	Procurement of equipment for instrumentation and controls: • Facility Monitoring and Control System (PLC/Controls) • Security Equipment Hardware • Misc. Sensing & Measuring Instruments • Control Valves (on/Off) • Tube Fittings & Valves • Conductivity Transmitters • Gas Detectors • Head Type DP Flow Meters • Level Switches • Level Transmitters - Radar • Magnetic Flow Meters • Pressure Gauges • Pressure Regulators • Pressure Transmitters • Solenoid Valves • Temperature Transmitters • Temperature Gauges	Method of Accomplishment for this scope of work (SAB/PSB Instrumentation) will be completed based on execution, maintenance and closure of procurement contract awards.	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work (SAB/PSB Instrumentation)
1.07.02.09.45.50.50.51.05	SWP	O8MA0000	SAB Field Non-Manual - Project Mgmt	Field Non-Manual Project management professional services specifically for support of SAB.	UPF direct-hire staff	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work (SAB)
1.07.02.09.45.50.50.51.10	SWP	O8CS1000	SAB Field Non-Manual - Construction	Field Non-Manual Construction professional services specifically for support of SAB.	UPF direct-hire staff	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work (SAB)
1.07.02.09.45.50.50.51.20	SWP	O8642000	SAB Field Non-Manual Resident Eng	Field Non-Manual Resident Engineers professional services specifically for support of SAB.	UPF direct-hire staff	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work (SAB)
1.07.02.09.45.50.50.51.25	SWP	O8E10000	SAB Field NM Eng Supervision	Field Non-Manual Eng Supervision professional services specifically for support of SAB.	UPF direct-hire staff	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work (SAB)
1.07.02.09.45.50.50.51.35	SWP	O8PC3500	SAB Field Non-Manual Project Controls	Field Non-Manual Project Controls professional services specifically for support of SAB.	UPF direct-hire staff	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work (SAB)

1.07.02.09.45.50.50.51.40	SWP	O8SU4000	SAB Field NM Start-up, Ops & Maintenance	Field Non-Manual Start-up, Operations & Maintenance professional services specifically for support of SAB.	UPF direct-hire staff	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work (SAB)
1.07.02.09.45.50.50.61.10	SWP	O8RP1000	SAB Production	CNS Production labor resources to support discrete tasks associated with Production activities required for Readiness Preparation, Certification and Confirmation within Chemical Recovery in the SAB subproject.	CNS Production Direct Hires and BOA resources	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work.
1.07.02.09.45.50.50.61.20	SWP	O8RM2000	SAB Maintenance	Maintenance labor resources required to support SAB discrete design tasks such as Confirmed Design deliverables, Vendor reviews, and close-out.	CNS Direct Hires or BOA	Completed owner turnover pkgs by UPF system. Approved & effective procedure by UPF process system. Baseline, qualification & certification of UPF operating & support personnel. Completion of observed procedures demonstration per approved cold ops plan. Implementation of 18 chapters of Con Ops Manual. Eff. safety basis per com. of approved Implementation Plan. Eff. CSE's in accordance with approved Implementation Plans. RCAB approve of all applicable readiness certs. Receipt of startup auth.
1.07.02.09.45.50.50.61.40	SWP	O8RM4000	SAB Maintenance	CNS Maintenance labor resources to support discrete tasks associated with Maintenance activities required for Readiness Preparation, Certification and Confirmation within Chemical Recovery in the SAB subproject.	CNS Maintenance Direct Hires and BOA resources	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work.
1.07.02.09.45.60.10.21.27	SWP	G2NO2700	HCON Other Mechanical Procurement	HCON Procurement of other mechanical equipment to include: • Packaged Units/Modules • Filters, Mixers, Blenders • Centrifuge • HVAC EQ and DUCTWORK • Elevators and Lifts • Stacks and Chimneys • Misc. Field Material	Method of Accomplishment for this scope of work (HCON Other Mechanical Procurement) will be completed based on execution, maintenance and closure of procurement contract awards.	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work (HCON Other Mechanical Procurement)
1.07.02.09.45.60.10.21.28	SWP	G2NO2800	HCON Electrical Procurement	Procurement of electrical equipment including but not limited to: • Transformers • Bus Duct • Power Distribution including Panelboards, Switchboards, Substations, Switchgear • UPS • Cable and Conduit • Lightning Protection • Lighting • CAAS, ENS/PA, and SDRS Systems • Grounding • Bulk Electrical Items • Comms and Security	Method of Accomplishment for this scope of work (HCON Electrical Procurement) will be completed based on execution, maintenance and closure of procurement contract awards.	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work (HCON Electrical Procurement)
1.07.02.09.45.60.20.21.28	SWP	G3NO2800	PIDAS Electrical Procurement	Procurement of electrical equipment including but not limited to: • Transformers • Bus Duct • Power Distribution including Panelboards, Switchboards, Substations, Switchgear • UPS • Cable and Conduit • Lightning Protection • Lighting • CAAS, ENS/PA, and SDRS Systems • Grounding • Bulk Electrical Items • Comms and Security	Method of Accomplishment for this scope of work (PIDAS Electrical Procurement) will be completed based on execution, maintenance and closure of procurement contract awards.	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work (PIDAS Electrical Procurement)

1.07.02.09.45.60.20.41.10	SWP	G3SOS300	PIDAS System Testing	BNI labor resources to support discrete tasks associated with System Testing of the engineered systems and sub-systems associated with the PIDAS.	BNI Startup Direct Hire & BNI Construction Craft	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work.
1.07.02.09.45.60.20.41.20	SWP	G3SOS400	PIDAS Integrated Testing	BNI labor resources to support discrete tasks associated with Integrated Testing of the engineered systems and sub-systems associated with the PIDAS.	BNI Startup Direct Hire	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work.
1.07.02.09.45.60.20.41.30	SWP	G3SOS200	PIDAS Component Testing	BNI labor resources to support discrete tasks associated with Component Testing of the engineered systems and sub-systems associated with the PIDAS.	BNI Startup Direct Hire & BNI Construction Craft	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work.
1.07.02.09.45.60.20.41.40	SWP	G3SOS100	PIDAS Testing Turnover	BNI labor resources to support discrete tasks associated with Testing Turnover of the engineered systems and sub-systems associated with the PIDAS.	BNI Startup Direct Hire	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work.
1.07.02.09.45.60.20.41.50	SWP	G3SOS500	PIDAS Owner Turnover	BNI labor resources to support discrete tasks associated with Owner Turnover of the engineered systems and sub-systems associated with the PIDAS.	BNI Startup Direct Hire	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work.
1.07.02.09.45.60.30.21.28	SWP	G4NO2800	YARD Electrical Procurement	YARD Procurement of electrical equipment to include:• Transformers• Bus Duct• Power Distribution (MCCs)• Generators• Transfer Switches• Relays• Lighting• Heat Trace• Grounding• Cathodic Protection• Comms and Security	Method of Accomplishment for this scope of work (YARD Electrical Procurement) will be completed based on execution, maintenance and closure of procurement contract awards.	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work (YARD Electrical Procurement)
1.07.02.09.45.60.30.41.10	SWP	G4SOS300	YARD System Testing	BNI labor resources to support discrete tasks associated with System Testing of the engineered systems and sub-systems associated with the YARD.	BNI Startup Direct Hire & BNI Construction Craft	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work.
1.07.02.09.45.60.30.41.30	SWP	G4SOS200	YARD Component Testing	BNI labor resources to support discrete tasks associated with Component Testing of the engineered systems and sub-systems associated with the YARD.	BNI Startup Direct Hire & BNI Construction Craft	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work.
1.07.02.09.45.60.30.41.40	SWP	G4SOS100	YARD Testing Turnover	BNI labor resources to support discrete tasks associated with Testing Turnover of the engineered systems and sub-systems associated with the YARD.	BNI Startup Direct Hire	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work.
1.07.02.09.45.60.30.41.50	SWP	G4SOS500	YARD Owner Turnover	BNI labor resources to support discrete tasks associated with Owner Turnover of the engineered systems and sub-systems associated with the YARD.	BNI Startup Direct Hire	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work.
1.07.02.09.45.60.30.51.10	SWP	G4E1YO00	SICD Design	SICD Design labor resources required to support YARD SICD system operations.	Method of Accomplishment for this scope of work (SICD Design) will be completed based on execution, maintenance and closure of design.	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work (SICD Design)
1.07.02.09.45.60.30.51.20	SWP	G4EFYO00	SICD Safety Basis	SICD Safety Basis labor resources required to support YARD SICD system operations.	Method of Accomplishment for this scope of work (SICD Safety Basis) will be completed based on execution, maintenance and closure of Safety Basis.	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work (SICD Safety Basis)
1.07.02.09.45.60.30.51.30	SWP	G4CNYO00	SICD Construction & Tie-In	SICD Construction & Tie-In resources required to support YARD SICD system operations.	Method of Accomplishment for this scope of work (SICD Construction & Tie Ins) will be completed based on execution, maintenance and closure of construction installation.	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work (SICD Construction & Tie Ins)
1.07.02.09.45.60.30.51.40	SWP	G4PEYO00	SICD Procurement	SICD Procurement labor resources required to support YARD SICD system operations.	Method of Accomplishment for this scope of work (SICD Procurement) will be completed based on execution, maintenance and closure of procurement contract awards.	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work (SICD Procurement)

1.07.02.09.45.60.40.20.21	SWP	GDNE2100	MPB Pumps, Drivers and Skids	Procurement of Pumps, Drivers and Skids, to include: - Centrifugal pumps - Mag Drive pumps - Gear Drive Pumps - Process Skids (BOA)	Method of Accomplishment for this scope of work (MPB Pumps, Drivers & Skids Procurement) will be completed based on execution, maintenance and closure of procurement contract awards.	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work (MPB Pumps, Drivers & Skids Procurement)
1.07.02.09.45.60.40.20.27	SWP	GDNE2700	MPB Other Mechanical	MPB Procurement of other mechanical equipment to include: - Packaged Units/Modules - Filters, Mixers, Blenders - Centrifuge - HVAC EQ and DUCTWORK - Elevators and Lifts - Stacks and Chimneys - Misc Field Material	Method of Accomplishment for this scope of work (MPB Other Mechanical Procurement) will be completed based on execution, maintenance and closure of procurement contract awards.	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work (MPB Other Mechanical Procurement)
1.07.02.09.45.60.40.20.38	SWP	GDNE3800	MPB Gloveboxes LLP	MPB LLP Procurement of gloveboxes and associated equipment to include: - Casting - Process equipment - Specialty Items (samplers, process reactors, pack-repack, etc) - Turnkey Packaged Systems	Method of Accomplishment for this scope of work will be completed based on execution, maintenance and closure of procurement contract awards.	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work.
1.07.02.09.45.60.40.21.21	SWP	G1NO2100	MPB Pumps, Drivers & Skids Procurement	MPB Procurement of MPB Pumps, Drivers and Skids, to include: - Centrifugal pumps - Mag Drive pumps - Gear Drive Pumps - Process Skids (BOA)	Method of Accomplishment for this scope of work (MPB Pumps, Drivers & Skids Procurement) will be completed based on execution, maintenance and closure of procurement contract awards.	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work (MPB Pumps, Drivers & Skids Procurement)
1.07.02.09.45.60.40.21.23	SWP	G1NO2300	MPB Heat Exchangers Procurement	Procurement of MPB Heat Exchangers to include: - Shell and Tube Exchangers - Air-cooled Exchangers - Cooling Towers - Condensers - Evaporators	Method of Accomplishment for this scope of work (MPB Heat Exchangers Procurement) will be completed based on execution, maintenance and closure of procurement contract awards.	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work (MPB Heat Exchangers Procurement)
1.07.02.09.45.60.40.21.24	SWP	G1NO2400	MPB Tanks\Storage Facilities Procure	Procurement of MPB Tanks and Storage Facilities to include: - Metallic Tanks - Non-Metallic Tanks - Bins and Silos - Boxes and Sumps	Method of Accomplishment for this scope of work (MPB Tanks\Storage Facilities Procure) will be completed based on execution, maintenance and closure of procurement contract awards.	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work (MPB Tanks\Storage Facilities Procure)
1.07.02.09.45.60.40.21.25	SWP	G1NO2500	MPB Material Handling\Process Procure	Procurement of Material Handling and Process to include: - Conveyors - Cranes-Hoists-Trolleys - Feeders - Screens - Crusher/Mills	Method of Accomplishment for this scope of work (MPB Material Handling\Process Procure) will be completed based on execution, maintenance and closure of procurement contract awards.	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work (MPB Material Handling\Process Procure)
1.07.02.09.45.60.40.21.26	SWP	G1NO2600	MPB Water Treatment (Skids) Procurement	Procurement of MPB Water Treatment (skids) to include: - Make-up/Condensate Demin - Potable Water - Raw Water - Waste Water - Chemical Feed Water	Method of Accomplishment for this scope of work (MPB Water Treatment (Skids) Procurement) will be completed based on execution, maintenance and closure of procurement contract awards.	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work (MPB Water Treatment (Skids) Procurement)

1.07.02.09.45.60.40.21.27	SWP	G1NO2700	MPB Other Mechanical Procurement	Procurement of other MPB mechanical equipment to include: • Packaged Units/Modules • Filters, Mixers, Blenders • Centrifuge • HVAC EQ and DUCTWORK • Elevators and Lifts • Stacks and Chimneys • Misc. Field Material	Method of Accomplishment for this scope of work (MPB Other Mechanical Procurement) will be completed based on execution, maintenance and closure of procurement contract awards.	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work (MPB Other Mechanical Procurement)
1.07.02.09.45.60.40.21.28	SWP	G1NO2800	MPB Electrical Procurement	Procurement of electrical equipment including but not limited to: • Transformers • Bus Duct • Power Distribution including Panelboards, Switchboards, Substations, Switchgear • UPS • Cable and Conduit • Lightning Protection • Lighting • CAAS, ENS/PA, and SDRS Systems • Grounding • Bulk Electrical Items • Comms and Security	Method of Accomplishment for this scope of work (MPB Electrical Procurement) will be completed based on execution, maintenance and closure of procurement contract awards.	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work (MPB Electrical Procurement)
1.07.02.09.45.60.40.21.38	SWP	G1NO3800	MPB Gloveboxes Procurement	Procurement of MPB gloveboxes and associated equipment to include: • Casting • Process equipment • Specialty Items (samplers, process reactors, pack-repack, etc.) • Turnkey Packaged Systems	Method of Accomplishment for this scope of work (MPB Gloveboxes Procurement) will be completed based on execution, maintenance and closure of procurement contract awards.	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work (MPB Gloveboxes Procurement)
1.07.02.09.45.60.40.41.10	SWP	G1SOS300	MPB System Testing	BNI labor resources to support discrete tasks associated with System Testing of the engineered systems and sub-systems associated with the MPB.	BNI Startup Direct Hire & BNI Construction Craft	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work.
1.07.02.09.45.60.40.41.20	SWP	G1SOS400	MPB Integrated Testing	BNI labor resources to support discrete tasks associated with Integrated Testing of the engineered systems and sub-systems associated with the MPB.	BNI Startup Direct Hire	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work.
1.07.02.09.45.60.40.41.30	SWP	G1SOS200	MPB Component Testing	BNI labor resources to support discrete tasks associated with Component Testing of the engineered systems and sub-systems associated with the MPB.	BNI Startup Direct Hire & BNI Construction Craft	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work.
1.07.02.09.45.60.40.41.40	SWP	G1SOS100	MPB Testing Turnover	BNI labor resources to support discrete tasks associated with Testing Turnover of the engineered systems and sub-systems associated with the MPB.	BNI Startup Direct Hire	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work.
1.07.02.09.45.60.40.41.50	SWP	G1SOS500	MPB Owner Turnover	BNI labor resources to support discrete tasks associated with Owner Turnover of the engineered systems and sub-systems associated with the MPB.	BNI Startup Direct Hire	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work.
1.07.02.09.45.60.50.11.05	SWP	G8EC0000	MPB Civil	Engineering labor resources required to support discrete MPB Civil discipline design tasks such as Confirmed Design deliverables and close-out.	Engineering Labor Resources	Through completion of Subproject
1.07.02.09.45.60.50.11.10	SWP	G8ES0000	MPB Structural	Engineering labor resources required to support discrete MPB Structural design tasks such as Confirmed Design deliverables, MR preparation, Technical Evaluation,	Engineering Labor Resources	Through completion of Subproject

1.07.02.09.45.60.50.11.15	SWP	G8EA0000	MPB Architectural	conform technical evaluations, fabrication drawings and close-out. Engineering labor resources required to support discrete MPB Architectural discipline design tasks such as Confirmed Design deliverables and close-out.	Engineering Labor Resources	Through completion of Subproject
1.07.02.09.45.60.50.11.20	SWP	G8EM0000	MPB Mechanical	Engineering labor resources required to support discrete MPB Mechanical discipline design tasks such as Confirmed Design deliverables and close-out.	Engineering Labor Resources	Through completion of Subproject
1.07.02.09.45.60.50.11.25	SWP	G8EL0000	MPB MET	Engineering labor resources required to support discrete MPB MET discipline design tasks such as Confirmed Design deliverables and close-out.	Engineering Labor Resources	Through completion of Subproject
1.07.02.09.45.60.50.11.30	SWP	G8EP0000	MPB Piping	Engineering labor resources required to support discrete MPB Piping discipline design tasks such as Confirmed Design deliverables and close-out.	Engineering Labor Resources	Through completion of Subproject
1.07.02.09.45.60.50.11.35	SWP	G8EZ0000	MPB Fire Protection	Engineering labor resources required to support discrete MPB Fire Protection discipline design tasks such as Confirmed Design deliverables and close-out.	Engineering Labor Resources	Through completion of Subproject
1.07.02.09.45.60.50.11.40	SWP	G8EH0000	MPB HVAC	Engineering labor resources required to support discrete MPB HVAC discipline design tasks such as Confirmed Design deliverables and close-out.	Engineering Labor Resources	Through completion of Subproject
1.07.02.09.45.60.50.11.45	SWP	G8EJ0000	MPB Process	Engineering labor resources required to support discrete MPB Process discipline design tasks such as Confirmed Design deliverables and close-out.	Engineering Labor Resources	Through completion of Subproject
1.07.02.09.45.60.50.11.50	SWP	G8ED0000	MPB Plant Design	Engineering labor resources required to support discrete MPB Plant Design discipline design tasks such as Confirmed Design deliverables and close-out.	Engineering Labor Resources	Through completion of Subproject
1.07.02.09.45.60.50.11.55	SWP	G8EE0000	MPB Electrical	Engineering labor resources required to support discrete MPB Electrical discipline design tasks such as Confirmed Design deliverables and close-out.	Engineering Labor Resources	Through completion of Subproject
1.07.02.09.45.60.50.11.60	SWP	G8EI0000	MPB I&C	Engineering labor resources required to support discrete MPB I&C discipline design tasks such as Confirmed Design deliverables and close-out.	Engineering Labor Resources	Through completion of Subproject
1.07.02.09.45.60.50.11.65	SWP	G8EN0000	MPB SAFETY BASIS - NUCLEAR CRITICALITY	Engineering labor resources required to support discrete MPB Nuclear Criticality discipline design tasks such as Confirmed Design deliverables and close-out.	Engineering Labor Resources	Through completion of Subproject
1.07.02.09.45.60.50.11.70	SWP	G8EF0000	MPB SAFETY BASIS - FACILITY SAFETY	Engineering labor resources required to support discrete MPB Facility Safety discipline design tasks such as Confirmed Design deliverables and close-out.	Engineering Labor Resources	Through completion of Subproject
1.07.02.09.45.60.50.11.75	SWP	G8EX0000	MPB Glovebox	Engineering labor resources required to support discrete MPB Glovebox discipline design tasks such as Confirmed Design deliverables and close-out.	Engineering Labor Resources	Through completion of Subproject
1.07.02.09.45.60.50.11.80	SWP	G8PS0000	MPB Vendor Document Review	Engineering labor resources required to review and approve MPB Vendor Submittals.	Engineering Labor Resources	Through completion of Subproject
1.07.02.09.45.60.50.20.12	SWP	GDNO1200	MPB Concrete (and Concrete Related)	Procurement of civil/architectural/structural bulk materials for all UPF direct-hire work under AREA Subproject, including: • Anchor bolts • Embeds • Rebar • Concrete	Method of Accomplishment for this scope of work (MPB Concrete Procurement) will be completed based on execution, maintenance and closure of procurement contract awards.	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work (MPB Concrete Procurement)

1.07.02.09.45.60.50.20.13	SWP	GDNO1300	MPB Structural and Misc Steel	Procurement of civil/architectural/structural bulk materials for all UPF direct-hire work under AREA Subproject, including: • Misc Steel • Structural Steel • Racks-Grids-Platforms	Method of Accomplishment for this scope of work (MPB Building Structural & Misc. Steel) will be completed based on execution, maintenance and closure of procurement contract awards.	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work (MPB Building Structural & Misc. Steel)
1.07.02.09.45.60.50.20.14	SWP	GDNO1400	MPB Architectural	Procurement of civil/architectural/structural bulk materials for all UPF direct-hire work under AREA Subproject, including: • Architectural Specialties (non-paint, non-coating items) • Furnishing • Masonry • Plumbing • Security Gates/Doors/Barriers/Ports • Office/Medical/Lab equipment, storage and carts	Method of Accomplishment for this scope of work will be completed based on execution, maintenance and closure of procurement contract awards.	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work.
1.07.02.09.45.60.50.20.15	SWP	GDNO1500	MPB Piping	Procurement of bulk piping associated commodities for UPF direct-hire work. Includes: • Pipe Hangers • Miscellaneous Flex Hose • Manual Valves • Spooled Pipe • Bulk Pipe (non-spoiled) • Plumbing Pipe (LB and SB) • Plumbing fixtures • Flange Bolts and Flange Insulation Kits • Specialty Pipe Fittings	Method of Accomplishment for this scope of work (MPB Piping) will be completed based on execution, maintenance and closure of procurement contract awards.	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work (MPB Piping)
1.07.02.09.45.60.50.20.17	SWP	GDNO1700	MPB Instrumentation	Procurement of equipment for instrumentation and controls: • Facility Monitoring and Control System (PLC/Controls) • Security Equipment Hardware • Misc. Sensing & Measuring Instruments • Control Valves (on/Off) • Tube Fittings & Valves • Conductivity Transmitters • Gas Detectors • Head Type DP Flow Meters • Level Switches • Level Transmitters - Radar • Magnetic Flow Meters • Pressure Gauges • Pressure Regulators • Pressure Transmitters • Solenoid Valves • Temperature Transmitters • Temperature Gauges	Method of Accomplishment for this scope of work (MPB Instrumentation Procurement) will be completed based on execution, maintenance and closure of procurement contract awards.	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work (MPB Instrumentation Procurement)
1.07.02.09.45.60.50.21.11	SWP	G8NO1100	MPB Building Sitework	Procurement of MPB civil/architectural/structural bulk materials for all UPF direct-hire work, including: • Grading • Sewage/Drainage • Manholes/Boxes • Wells, Soil Tests • Piles and Caissons • Mass Fill	Method of Accomplishment for this scope of work (MPB Building Sitework) will be completed based on execution, maintenance and closure of procurement contract awards.	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work (MPB Building Sitework)
1.07.02.09.45.60.50.21.12	SWP	G1NO1200	MPB Building Concrete	Procurement of MPB civil/architectural/structural bulk materials for all UPF direct-hire work, including: • Anchor bolts • Embeds • Rebar • Concrete	Method of Accomplishment for this scope of work (MPB Building Concrete) will be completed based on execution, maintenance and closure of procurement contract awards.	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work (MPB Building Concrete)

1.07.02.09.45.60.50.21.13	SWP	G1NO1300	MPB Building Structural & Misc. Steel	Procurement of MPB civil/architectural/structural bulk materials for all UPF direct-hire work, including: • Misc. Steel • Structural Steel • Racks-Grids-Platforms	Method of Accomplishment for this scope of work (MPB Building Structural & Misc. Steel) will be completed based on execution, maintenance and closure of procurement contract awards.	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work (MPB Building Structural & Misc. Steel)
1.07.02.09.45.60.50.21.14	SWP	G8NO1400	MPB Building Architectural	Procurement of civil/architectural/structural bulk materials for all UPF direct-hire work, including: • Architectural Specialties (non-paint, non-coating items) • Furnishing • Masonry • Plumbing • Security Gates/Doors/Barriers/Ports • Office/Medical/Lab equipment, storage and carts	Method of Accomplishment for this scope of work (MPB Building Architectural) will be completed based on execution, maintenance and closure of procurement contract awards.	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work (MPB Building Architectural)
1.07.02.09.45.60.50.21.15	SWP	G1NO1500	MPB Piping	Procurement of bulk piping associated commodities for UPF direct-hire work. Includes: • Pipe Hangers • Miscellaneous Flex Hose • Manual Valves • Spooled Pipe • Bulk Pipe (non-spoiled) • Plumbing Pipe (LB and SB) • Plumbing fixtures • Flange Bolts and Flange Insulation Kits • Specialty Pipe Fittings	Method of Accomplishment for this scope of work (MPB Piping) will be completed based on execution, maintenance and closure of procurement contract awards.	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work (MPB Piping)
1.07.02.09.45.60.50.21.16	SWP	G1NO1600	MPB Electrical Bulks	Procurement of bulk electrical commodities for UPF direct-hire work, including: • Distribution Panel Boards • Security Alarms • Electrical Bulk Components: Building Electrical Wire, Fiber Cable and Lighting Fixtures, Distribution Transformers, Communications - ENS/PA, Cathodic Protection, Local Control Stations/Switches, Conduit Supports, Cable Tray Supports, Control Cable, Classified and Unclassified Telecommunications Bulks, Junction boxes, light switches, receptacles, DC batteries and chargers.	Method of Accomplishment for this scope of work (MPB Electrical Bulks) will be completed based on execution, maintenance and closure of procurement contract awards.	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work (MPB Electrical Bulks)
1.07.02.09.45.60.50.21.17	SWP	G1NO1700	MPB Instrumentation	Procurement of equipment for instrumentation and controls: • Facility Monitoring and Control System (PLC/Controls) • Security Equipment Hardware • Misc. Sensing & Measuring Instruments • Control Valves (on/Off) • Tube Fittings & Valves • Conductivity Transmitters • Gas Detectors • Head Type DP Flow Meters • Level Switches • Level Transmitters - Radar • Magnetic Flow Meters • Pressure Gauges • Pressure Regulators • Pressure Transmitters • Solenoid Valves • Temperature Transmitters • Temperature Gauges	Method of Accomplishment for this scope of work (MPB Instrumentation) will be completed based on execution, maintenance and closure of procurement contract awards.	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work (MPB Instrumentation)
1.07.02.09.45.60.50.51.05	SWP	G8MA0500	MPB Field Non-Manual Project Mgmt	Field Non-Manual Project management professional services specifically for support of MPB.	UPF direct-hire staff	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work (MPB)
1.07.02.09.45.60.50.51.10	SWP	G8CS1000	MPB Field Non-Manual Construction	Field Non-Manual Construction professional services specifically for support of MPB.	UPF direct-hire staff	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work (MPB)

1.07.02.09.45.60.50.51.20	SWP	G8640000	MPB Field Non-Manual Resident Eng	Field Non-Manual Resident Engineers professional services specifically for support of MPB.	UPF direct-hire staff	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work (MPB)
1.07.02.09.45.60.50.51.25	SWP	G8E10000	MPB Field Non-Manual Eng Supervision	Field Non-Manual Eng Construction professional services specifically for support of MPB.	UPF direct-hire staff	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work (MPB)
1.07.02.09.45.60.50.51.35	SWP	G8PC3500	MPB Field Non-Manual Project Controls	Field Non-Manual Project Controls professional services specifically for support of MPB.	UPF direct-hire staff	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work (MPB)
1.07.02.09.45.60.50.51.40	SWP	G8SU4000	MPB Field NM Start-up, Ops & Maintenance	Field Non-Manual Start-up, Ops & Maintenance professional services specifically for support of MPB.	UPF direct-hire staff	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work (MPB)
1.07.02.09.45.60.50.61.10	SWP	G8RP1000	MPB Production	CNS Production labor resources to support discrete tasks associated with Production activities required for Readiness Preparation, Certification and Confirmation within the MPB subproject.	CNS Production Direct Hires and BOA resources	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work.
1.07.02.09.45.60.50.61.20	SWP	G8RM2000	MPB Maintenance	Maintenance labor resources required to support MPB discrete design tasks such as Confirmed Design deliverables, Vendor reviews, and close-out.	CNS Direct Hires or BOA	Through completion of Subproject
1.07.02.09.45.60.50.61.50	SWP	G8RM4000	MPB Maintenance	CNS Maintenance labor resources to support discrete tasks associated with Maintenance activities required for Readiness Preparation, Certification and Confirmation within Casting in the MPB subproject.	CNS Maintenance Direct Hires and BOA resources	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work.
1.07.02.09.45.80.10.21.28	SWP	X7NO2800	GSA Electrical Procurement	GSA Procurement of electrical equipment to include: • Transformers • Bus Duct • Power Distribution (MCCs) • Generators • Transfer Switches • Relays • Lighting • Heat Trace • Grounding • Cathodic Protection • Comms and Security	Method of Accomplishment for this scope of work (GSA Electrical) will be completed based on execution, maintenance and closure of procurement contract awards.	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work (GSA Electrical)
1.07.02.09.45.80.10.41.10	SWP	X7SOS300	GSA System Testing	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work.	BNI Startup Direct Hire & BNI Construction Craft	Approved System test results documenting that each system operates in accordance with the functional requirements of the applicable design documents and meets the requirements of the respective approved functional acceptance criteria provided by Engineering.
1.07.02.09.45.80.10.41.20	SWP	X7SOS400	GSA Integrated Testing	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work.	BNI Startup Direct Hire	Approved Integrated test results packages.
1.07.02.09.45.80.10.41.30	SWP	X7SOS200	GSA Component Testing	BNI labor resources to support discrete tasks associated with Component Testing of the engineered systems and sub-systems associated with the GSA.	BNI Startup Direct Hire & BNI Construction Craft	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work.
1.07.02.09.45.80.10.41.40	SWP	X7SOS100	GSA Testing Turnover	BNI labor resources to support discrete tasks associated with Testing Turnover of the engineered systems and sub-systems associated with the GSA.	BNI Startup Direct Hire	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work.

1.07.02.09.45.80.10.41.50	SWP	X7SOS500	GSA Owner Turnover	BNI labor resources to support discrete tasks associated with Owner Turnover of the engineered systems and sub-systems associated with the GSA.	BNI Startup Direct Hire	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work.
1.07.02.09.45.80.20.21.21	SWP	X1NO2100	PSF Pumps, Drivers & Skids Procurement	PSF Procurement of Pumps, Drivers and Skids, to include: - Centrifugal pumps - Mag Drive pumps - Gear Drive Pumps - Process Skids (BOA)	Method of Accomplishment for this scope of work (PSF Pumps, Drivers & Skids Procurement) will be completed based on execution, maintenance and closure of procurement contract awards.	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work (PSF Pumps, Drivers & Skids Procurement)
1.07.02.09.45.80.20.21.22	SWP	X1NO2200	PSF Compressors, Blowers & Fans Procure	Procurement of Compressors, Blowers and Fans to include: - Air Operated Double Diaphragm pumps - Centrifugal pumps - Mag Drive pumps - Metering pumps - Gear Drive Pumps - Sump Pumps - Process Skids (BOA)	Method of Accomplishment for this scope of work (PSF Compressors, Blowers & Fans) will be completed based on execution, maintenance and closure of procurement contract awards. struction installation	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work (PSF Compressors, Blowers & Fans)
1.07.02.09.45.80.20.21.25	SWP	X1NO2500	PSF Material Handling/Processing Procure	Procurement of Material Handling and Processing to include: - Conveyors - Cranes-Hoists-Trolleys - Feeders - Screens - Crusher/Mills	Method of Accomplishment for this scope of work (PSF Material Handling/Processing Procure) will be completed based on execution, maintenance and closure of procurement contract awards.	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work (PSF Material Handling/Processing Procure)
1.07.02.09.45.80.20.21.26	SWP	X1NO2600	PSF Water Treatment (Skids) Procurement	PSF Procurement of Water Treatment (skids) to include: - Make-up/Condensate Demin - Potable Water - Raw Water - Waste Water - Chemical Feed Water	Method of Accomplishment for this scope of work (PSF Water Treatment (Skids) Procurement) will be completed based on execution, maintenance and closure of procurement contract awards.	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work (PSF Water Treatment (Skids) Procurement)
1.07.02.09.45.80.20.21.27	SWP	X1NO2700	PSF Other Mechanical Procurement	PSF Procurement of other mechanical equipment to include: - Packaged Units/Modules - Filters, Mixers, Blenders - Centrifuge - HVAC EQ and DUCTWORK - Elevators and Lifts - Stacks and Chimneys - Misc. Field Material	Method of Accomplishment for this scope of work (PSF Other Mechanical Procurement) will be completed based on execution, maintenance and closure of procurement contract awards.	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work (PSF Other Mechanical Procurement)
1.07.02.09.45.80.20.21.28	SWP	X1NO2800	PSF Electrical Procurement	PSF Procurement of electrical equipment to include: - Transformers - Bus Duct - Power Distribution (MCCs) - Generators - Transfer Switches - Relays - Lighting - Heat Trace - Grounding - Cathodic Protection - Comms and Security	Method of Accomplishment for this scope of work (PSF Electrical Procurement) will be completed based on execution, maintenance and closure of procurement contract awards.	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work (PSF Electrical Procurement)
1.07.02.09.45.80.20.21.38	SWP	X1NO3800	PSF Gloveboxes Procurement	PSF Procurement of gloveboxes and associated equipment to include: - Casting - Process equipment - Specialty Items (samplers, process reactors, pack-repack, etc.) - Turnkey Packaged Systems	Method of Accomplishment for this scope of work (PSF Gloveboxes Procurement) will be completed based on execution, maintenance and closure of procurement contract awards.	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work (PSF Gloveboxes Procurement)

1.07.02.09.45.80.20.41.10	SWP	X1SOS300	PSF System Testing	BNI labor resources to support discrete tasks associated with System Testing of the engineered systems and sub-systems associated with the PSF.	BNI Startup Direct Hire & BNI Construction Craft	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work.
1.07.02.09.45.80.20.41.20	SWP	X1SOS400	PSF Integrated Testing	BNI labor resources to support discrete tasks associated with Integrated Testing of the engineered systems and sub-systems associated with the PSF.	BNI Startup Direct Hire	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work.
1.07.02.09.45.80.20.41.30	SWP	X1SOS200	PSF Component Testing	BNI labor resources to support discrete tasks associated with Component Testing of the engineered systems and sub-systems associated with the PSF.	BNI Startup Direct Hire & BNI Construction Craft	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work.
1.07.02.09.45.80.20.41.40	SWP	X1SOS100	PSF Testing Turnover	BNI labor resources to support discrete tasks associated with Testing Turnover of the engineered systems and sub-systems associated with the PSF.	BNI Startup Direct Hire	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work.
1.07.02.09.45.80.20.41.50	SWP	X1SOS500	PSF Owner Turnover	BNI labor resources to support discrete tasks associated with Owner Turnover of the engineered systems and sub-systems associated with the PSF.	BNI Startup Direct Hire	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work.
1.07.02.09.45.80.50.11.10	SWP	X8ES0000	PSF Structural	Engineering labor resources required to support discrete PSF Structural design tasks such as Confirmed Design deliverables, MR preparation, Technical Evaluation, conform technical evaluations, fabrication drawings and close-out.	Engineering Labor Resources	Through completion of Subproject
1.07.02.09.45.80.50.11.15	SWP	X8EA0000	PSF Architectural	PSF Architectural Engineering labor resources required to support discrete design tasks such as Confirmed Design deliverables, Vendor reviews, and close-out.	UPF direct-hire staff	Through completion of Subproject
1.07.02.09.45.80.50.11.20	SWP	X8EM0000	PSF Mechanical	PSF Mechanical Engineering labor resources required to support discrete design tasks such as Confirmed Design deliverables, Vendor reviews, and close-out.	UPF direct-hire staff	Through completion of Subproject
1.07.02.09.45.80.50.11.25	SWP	X8EL0000	PSF MET	PSF MET Engineering labor resources required to support discrete design tasks such as Confirmed Design deliverables, Vendor reviews, and close-out.	UPF direct-hire staff	Through completion of Subproject
1.07.02.09.45.80.50.11.30	SWP	X8EP0000	PSF Piping	PSF Piping Engineering labor resources required to support discrete design tasks such as Confirmed Design deliverables, Vendor reviews, and close-out.	UPF direct-hire staff	Through completion of Subproject
1.07.02.09.45.80.50.11.35	SWP	X8EZ0000	PSF Fire Protection	PSF Fire Protection Engineering labor resources required to support discrete design tasks such as Confirmed Design deliverables, Vendor reviews, and close-out.	UPF direct-hire staff	Through completion of Subproject
1.07.02.09.45.80.50.11.40	SWP	X8EH0000	PSF HVAC	PSF HVAC Engineering labor resources required to support discrete design tasks such as Confirmed Design deliverables, Vendor reviews, and close-out.	UPF direct-hire staff	Through completion of Subproject
1.07.02.09.45.80.50.11.50	SWP	X8ED0000	PSF Plant Design	Engineering labor resources required to support discrete design tasks such as Confirmed Design deliverables, Vendor reviews, and close-out.	UPF direct-hire staff	Through completion of Subproject
1.07.02.09.45.80.50.11.55	SWP	X8EE0000	PSF Electrical	PSF Electrical Engineering labor resources required to support discrete design tasks such as Confirmed Design deliverables, Vendor reviews, and close-out.	UPF direct-hire staff	Through completion of Subproject
1.07.02.09.45.80.50.11.60	SWP	X8EI0000	PSF I&C	PSF I&C Engineering labor resources required to support discrete design tasks such as Confirmed Design deliverables, Vendor reviews, and close-out.	UPF direct-hire staff	Through completion of Subproject
1.07.02.09.45.80.50.11.65	SWP	X8EN0000	PSF SAFETY BASIS NCS	PSF NCS Engineering labor resources required to support discrete design tasks such as Confirmed Design deliverables, Vendor reviews, and close-out.	UPF direct-hire staff	Through completion of Subproject

1.07.02.09.45.80.50.11.70	SWP	X8EF0000	PSF SAFETY BASIS - Facility Safety	PSF Facility Safety Engineering labor resources required to support discrete design tasks such as Confirmed Design deliverables, Vendor reviews, and close-out.	UPF direct-hire staff	Through completion of Subproject
1.07.02.09.45.80.50.11.75	SWP	X8EX0000	PSF Glovebox	PSF Glovebox Engineering labor resources required to support discrete design tasks such as Confirmed Design deliverables, Vendor reviews, and close-out.	UPF direct-hire staff	Through completion of Subproject
1.07.02.09.45.80.50.11.80	SWP	X8EY0000	PSF Vendor Document Review	PSF Vendor Document Review Engineering labor resources required to support discrete design tasks such as Confirmed Design deliverables, Vendor reviews, and close-out.	UPF direct-hire staff	Through completion of Subproject
1.07.02.09.45.80.50.21.11	SWP	X8NO1100	PSF Building Sitework	PSF Procurement of civil/architectural/structural bulk materials for all UPF direct-hire work, including: • Grading • Sewage/Drainage • Manholes/Boxes • Wells, Soil Tests • Piles and Caissons • Mass Fill	Method of Accomplishment for this scope of work (PSF Building Sitework) will be completed based on execution, maintenance and closure of procurement contract awards.	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work (PSF Building Sitework)
1.07.02.09.45.80.50.21.12	SWP	X8NO1200	PSF Building Concrete	PSF Procurement of civil/architectural/structural bulk materials for all UPF direct-hire work, including: • Anchor bolts • Embeds • Rebar • Concrete	Method of Accomplishment for this scope of work (PSF Building Concrete) will be completed based on execution, maintenance and closure of procurement contract awards.	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work (PSF Building Concrete)
1.07.02.09.45.80.50.21.13	SWP	X8NO1300	PSF Building Structural & Misc. Steel	PSF Procurement of civil/architectural/structural bulk materials for all UPF direct-hire work, including: • Misc. Steel • Structural Steel • Racks-Grids-Platforms	Method of Accomplishment for this scope of work (PSF Building Structural & Misc. Steel) will be completed based on execution, maintenance and closure of procurement contract awards.	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work (PSF Building Structural & Misc. Steel)
1.07.02.09.45.80.50.21.14	SWP	X8NO1400	PSF Building Architectural	Procurement of civil/architectural/structural bulk materials for all UPF direct-hire work, including: • Architectural Specialties (non-paint, non-coating items) • Furnishing • Masonry • Plumbing • Security Gates/Doors/Barriers/Ports • Office/Medical/Lab equipment, storage and carts	Method of Accomplishment for this scope of work (PSF Building Architectural) will be completed based on execution, maintenance and closure of procurement contract awards.	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work (PSF Building Architectural)
1.07.02.09.45.80.50.21.15	SWP	X8NO1500	PSF Piping Bulks	Procurement of bulk piping associated commodities for UPF direct-hire work. Includes: • Pipe Hangers • Miscellaneous Flex Hose • Manual Valves • Spooled Pipe • Bulk Pipe (non-spooled) • Plumbing Pipe (LB and SB) • Plumbing fixtures • Flange Bolts and Flange Insulation Kits • Specialty Pipe Fittings	Method of Accomplishment for this scope of work (PSF Piping) will be completed based on execution, maintenance and closure of procurement contract awards.	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work (PSF Piping)

1.07.02.09.45.80.50.21.16	SWP	X8NO1600	PSF Electrical Bulks	Procurement of bulk electrical commodities for UPF direct-hire work, including: • Distribution Panel Boards • Security Alarms • Electrical Bulk Components: Building Electrical Wire, Fiber Cable and Lighting Fixtures, Distribution Transformers, Communications - ENS/PA, Cathodic Protection, Local Control Stations/Switches, Conduit Supports, Cable Tray Supports, Control Cable, Classified and Unclassified Telecommunications Bulks, Junction boxes, light switches, receptacles, DC batteries and chargers.	Method of Accomplishment for this scope of work (PSF Electrical Bulks) will be completed based on execution, maintenance and closure of procurement contract awards.	Receipt and acceptance of bulk materials
1.07.02.09.45.80.50.21.17	SWP	X8NO1700	PSF Instrumentation Bulks	Procurement of equipment for instrumentation and controls: • Facility Monitoring and Control System (PLC/Controls) • Security Equipment Hardware • Misc. Sensing & Measuring Instruments • Control Valves (on/Off) • Tube Fittings & Valves • Conductivity Transmitters • Gas Detectors • Head Type DP Flow Meters • Level Switches • Level Transmitters - Radar • Magnetic Flow Meters • Pressure Gauges • Pressure Regulators • Pressure Transmitters • Solenoid Valves • Temperature Transmitters • Temperature Gauges	Method of Accomplishment for this scope of work (PSF Instrumentation) will be completed based on execution, maintenance and closure of procurement contract awards.	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work (PSF Instrumentation)
1.07.02.09.45.80.50.51.05	SWP	X8MA0500	PSF Field Non-Manual Project Mgmt	Field Non-Manual Project management professional services specifically for support of PSF.	UPF direct-hire staff	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work (PSF)
1.07.02.09.45.80.50.51.10	SWP	X8CS1000	PSF Field Non-Manual Construction	Field Non-Manual Construction professional services specifically for support of PSF.	UPF direct-hire staff	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work (PSF)
1.07.02.09.45.80.50.51.20	SWP	X8640000	PSF Field Non-Manual Resident Eng	Field Non-Manual Resident Engineers professional services specifically for support of PSF.	UPF direct-hire staff	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work (PSF)
1.07.02.09.45.80.50.51.25	SWP	X8E10000	PSF Field Non-Manual Eng Supervision	Field Non-Manual Eng Supervision professional services specifically for support of PSF.	UPF direct-hire staff	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work (PSF)
1.07.02.09.45.80.50.51.35	SWP	X8PC3500	PSF Field Non-Manual Project Controls	Field Non-Manual Project Controls professional services specifically for support of PSF.	UPF direct-hire staff	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work (PSF)
1.07.02.09.45.80.50.61.10	SWP	X8RP1000	PSF Production	CNS Production labor resources to support discrete tasks associated with Production activities required for Readiness Preparation, Certification and Confirmation within PSF in the PSF subproject.	CNS Production Direct Hires and BOA resources	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work.
1.07.02.09.45.80.50.61.20	SWP	O8RM2000	PSF Maintenance	CNS Maintenance labor resources to support discrete tasks associated with Maintenance activities required for Readiness Preparation and Certification within the PSF subproject.	CNS Maintenance Direct Hires and BOA	Key Milestones / Deliverables are outlined in the project Integrated Master Schedule (IMS) and will be completed in support of completion for this scope of work.

APPENDIX F: Articles of Negotiated Agreement

The following articles shall serve as the documented negotiated agreement between the National Nuclear Security Administration (herein referred to as the “Government”), and Consolidated Nuclear Security, LLC (herein referred to as the “Contractor”).

Therefore, in consideration of the mutual promises set forth hereinafter, the Government and the Contractor mutually agree as follows:

Article 1. DMP Settlement

- 1.1 \$10,604,249 of available DMP schedule fee is deferred until the Contractor can demonstrate to Government satisfaction that there has been no impact to the project related to CD-2/3 approval or by completing the project by August 31, 2025 (Project Completion Date).
- 1.2 In order to convert DMP deferred fee to earned fee prior to the Project Completion Date, the Contractor shall clearly demonstrate to the Government that schedule health has been restored and regained 33 working days. The Contractor may request the Government review schedule health on a FY year basis. The Government reserves the right to seek Contractor repayment of provisionally drawn schedule fee if schedule health is not restored to the Government’s satisfaction, but no sooner than January 2019.

Article 2. Provisional Fee

- 2.1 For the purpose of calculating FY18 Provisional Fee, the Provisional Fee Liquidation Model will use the Contractor’s March data. The Government will re-evaluate the Provisional Fee Liquidation Model after the negotiated baseline is approved.
- 2.2 Planned Liquidation through September 30, 2018: 14.273% / \$19,242,036.
- 2.3 Actual Performance to be Liquidated: 4.858% / \$6,548,895.
- 2.4 Unliquidated Balance (Carryover): 9.415% / \$12,693,141.

Article 3. Deferred Fee Pool

- 3.1 Any unearned milestone fee captured in a Deferred Fee Pool will be available to be earned until all Contractor Schedule Reserve is exhausted (August 31, 2025).
- 3.2 The Government will evaluate the Deferred Fee Pool on an FY basis.
- 3.3 The Contractor may request the Government to consider deferred fee recapture quarterly after the successful completion of successor milestones, i.e., on or before Milestone Completion Date.

APPENDIX G: Government Oversight Model

1 COST OBJECTIVE OVERSIGHT

The Government will oversee Cost Performance by verifying the Contractor's approved baseline data to ensure mission commitments are met with timely, high quality deliverables, in accordance with DOE Order 413.3B and ANSI/EIA-748B, or as defined in Contract. The Government's purview of the Contractor's project management responsibility related to Cost Objective includes, but not limited to:

- Determine if the Contractor is completing authorized scope in accordance with the approved Project Execution Plan and Performance Measurement Baseline; provide timely project reporting.
- Review Contractor implementation of change control management of scope, cost, and schedule in accordance with the applicable threshold tables contained in the approved Project Execution Plans and in accordance with DOE orders and Contractor procedures.
- Manage a deliverable-based Work Breakdown Structure (WBS); cost control accounts, work packages and planning packages consistent with WBS/scope.
- Review of Contractor project management-costing practices ensuring they are consistent with the CNS Earned Value Management System Description.
- Using DOE earned value methods the Government will assess the measurement of work accomplishment, and assess project performance; review CNS performance of variance analysis to identify, correct, and report problems; and evaluate Contractor Estimates at Completion (EAC) on a monthly basis and Contractor comprehensive EAC on an annual basis.
- Expend funds and resources that optimally provide the maximum benefit to the Government; perform proactive and effective subcontract management oversight of subcontractors to ensure effective cost performance controls.
- Maintain the total cost under configuration control to ensure impacts of design evolution on procurement, construction, and commissioning are managed effectively; ensure retroactive adjustments to the baseline are not allowed.
- Produce cost estimates compliant with GAO Best Practices for Developing and Managing Capital Costs Guide and DOE G 413.3-21, Cost Estimating Guide; consider life cycle cost when evaluating proposed project changes.
- Demonstrate effective procurement and subcontract management oversight by driving costs down through competition, making best use of tier two subcontracting opportunities, including maximizing use of fixed price subcontracts and small business participation.
- Establish and maintain a project organization that implements a disciplined conduct of business, EPC commercial best practices, contract management, systems, processes, and procedures in accordance with applicable DOE directives and project requirements.
- Execute quality work products with minimal rework, e.g., designs, specifications, plans, procurement, construction, testing, and commissioning; demonstration of implementation of

an approved DOE O 414.1D Quality Program.

- Identify, quantify and mitigate technical, programmatic, schedule, and cost risks.

2 SCHEDULE OBJECTIVE OVERSIGHT

The Government will oversee Schedule Performance by verifying the Contractor's Integrated Master Schedule (IMS) data to ensure mission commitments are met with timely, high quality deliverables, in accordance with Part III-Section J, Appendix, Appendix N, DOE Order 413.3B and ANSI/EIA-748B, or as defined in Contract. The Government's purview of the Contractor's project management responsibility related to Schedule Objective includes, but not limited to:

- Determine if Contractor is executing scope in accordance with approved Project Execution Plans and Performance Measurement Baseline.
- Review Contractor implementation of change control management of scope, cost, and schedule in accordance with the applicable threshold tables contained in the approved Project Execution Plans and in accordance with DOE orders and Contractor procedures.
- Review of Contractor Project Management scheduling practices ensuring they are consistent with the CNS Earned Value Management System Description.
- Manage an IMS to support project management, implementation and control; include the total scope of baselined work and identify Work Breakdown Structure (WBS) elements for all activities and milestones; identify interdependencies between project activities/milestones to reflect a credible, logical project sequence; activity durations which are reasonable, measureable, and appropriately detailed for effective management; appropriate activity and resource calendars are employed.
- Baseline the IMS and control the content using the project change control board processes; maintain current project status and credible start/finish forecasts for all to-go tasks and milestones; include project and management controls milestones (e.g., critical decisions, major design reviews, and technology, procurement, construction, testing, and commissioning); incorporate labor, material and equipment resources and ensure reasonable/available.
- Manage a credible critical path as determined by the calculated IMS logic network; ensure adequate schedule margin has been included and clearly defined; ensure the number of lags/leads and activity constraints is limited and reasonable. Schedule should include subcontracted scope detail into schedule/critical path to ensure visibility to the Government.
- Hold subcontractors accountable and avoid/mitigate expensing unnecessary funds to make subcontractors compliant with requirements, e.g., additional testing and noncompliance.
- Compliance with all applicable environmental, safety, and security requirements. No formal notices of violation or similar citations from a Federal, State, or local regulatory agency; excellent safety DART/TRC rates; no safeguards and security incidents.
- Minimize construction down times; delays to construction activities are minimal, and all delays are proactively identified, tracked, analyzed for patterns, evaluated for quick

resolution, and reported expeditiously to CO/FPD.

- Support Direct Federal Contracts in accordance with approved Project Execution Plans and manage interfaces between parties using Procedure UPO-95-A026.
- Design and engineering products, including material and equipment, shall have the necessary technical and constructability (fabrication) quality to accomplish procurement, fabrication and construction expeditiously without major problems or delays (Title II).
- Review Resident Engineering to support Construction and oversee the design's intent and requirements; Expectation is that exceptions are rare to non-existent without problems or delays (Title III).
- Review performance of pre-award/award/post-award, surveillance/oversight functions to support and/or accomplish requirements. Proper source/destination inspection and acceptance provisions are Government special interest items to ensure receipt of quality subcontracted products/materials.
- Review Contractor's ability to identify, quantify and mitigate project schedule risks; perform schedule risk assessments to predict the probability of completing on time.

Exhibit 1

CNS Construction Complete Target Incentive for FY21

Based upon the need to improve upon the January 2021 Month-End (ME) Forecast Schedule, Y-12 Acquisition and Project Management Office (Y-12 APMO) is offering an incentive to Consolidated Nuclear Security, LLC (CNS) for improved performance against their January 2021 Forecast Schedule. The incentive will use deferred schedule milestone fee that has not been earned or provisionally paid to CNS to date, and offers CNS another opportunity to recover fee earlier than the overall job completion. CNS was not paid any provisional fee for the first fiscal year quarter of 2021 due to pushes in the overall schedule and numerous missed schedule milestones, and will continue to be in a no provisional fee status until schedule health recovery is demonstrated to NNSA. Performing to the January 2021 ME Forecast Schedule will not demonstrate the improvement necessary to draw provisional or earn fee, and it is anticipated that NNSA would continue to withhold fee for the rest of the year.

The FY21 incentive will be measured against an overall improvement on the completion of construction, earlier than currently forecast.

1. Overall improvement on the January 2021 ME Forecast Schedule shall be measured by improving the direct hire (discrete only) construction percent complete. The overall UPF project is forecast to complete approximately 48.5% construction complete, against a baseline of 58.1% complete. The following incentive is offered:
 - a. 51% Construction Complete Target
 - b. \$6M Target Fee Earned
 - c. Range 48.5% - 53.8% (\$0 - \$12M), fee to be earned on a sliding scale as noted in the figure 1 below
 - d. In order for CNS to be eligible for this incentive, the UPF CD-4 forecast completion date shall not be extended beyond the date reflected in the January ME forecast. CNS shall also maintain the following minimum Subproject direct hire (discrete only) % completion at the end of September 2021. NNSA reserves the right to consider minor fractional variances for determining eligibility:
 - MPB: 44.6%
 - SAB: 44.5%
 - MEB: 99.0%
 - PSF: 23.0%
 - e. Government Consideration: Failure to achieve $\geq 48.5\%$ construction complete, as shown in figure 2 below, may result in a conversion of up to \$3M in Schedule Objective fee to Cost Objective fee by reducing deferred schedule milestone values. NNSA reserves the right to consider all factors for determining incentive failure and the final amount of conversion. Any schedule fee converted to cost fee is restored if CNS can successfully complete the schedule milestone "UPF Scope Complete" by the Master Fee Annex date. Any earned fee will be paid from the deferred fee pool. In the event the deferred fee pool balance is less than the total amount of earned feed for this incentive, shortfalls will be reduced from future unearned schedule milestones.

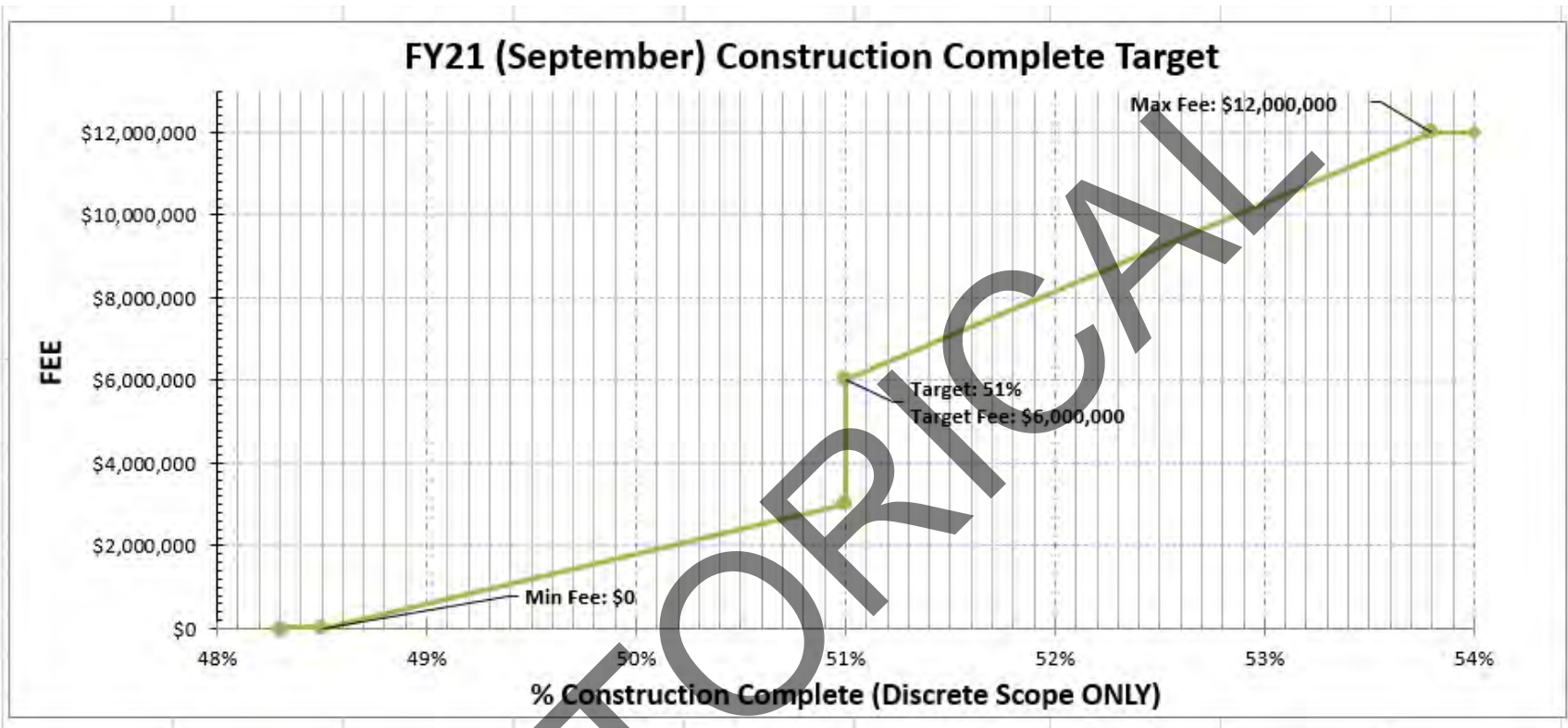


Figure 1: Target Fee Curve

Direct Hire Craft Hours Discrete Work Only																			
Sub	BCWS	Totals	BCWR	Fcst	% BCWR to FCST	TCPI	Dec FY21P03	Jan FY21P04	Feb FY21P05	Mar FY21P06	Apr FY21P07	May FY21P08	Jun FY21P09	Jul FY21P10	Aug FY21P11	Sep FY21P12	Oct FY22P01	Nov FY22P02	Dec FY22P03
MEB	Baseline - JanME	403,687	135,634	116,310	117%	1.17	3,984	164		113									
MPB	Baseline - JanME	3,060,487	2,283,548	2,465,088	93%	0.93	55,312	65,094	93,383	90,608	108,159	90,850	90,164	108,466	92,275	116,028	61,730	99,334	107,371
PSF	Baseline - JanME	164,971	164,971	181,877	91%	0.91	11	96			5,954	7,466	7,305	9,981	12,780	18,504	11,943	18,366	19,489
SAB	Baseline - JanME	1,327,129	964,870	1,101,984	88%	0.88	10,288	33,713	43,828	38,823	46,860	33,923	46,574	55,306	45,226	63,468	37,287	50,978	81,817
	Total	4,956,273	3,549,023	3,865,258	92%	0.92	69,594	99,068	137,210	129,544	160,974	132,239	144,043	173,752	150,280	198,000	110,960	168,678	208,676
	Cum BCWS						1,553,155	1,652,223	1,789,433	1,918,977	2,079,950	2,212,189	2,356,232	2,529,984	2,680,264	2,878,264	2,989,225	3,157,903	3,366,579
	% BCWS / Mnth						1.4%	2.0%	2.8%	2.6%	3.2%	2.7%	2.9%	3.5%	3.0%	4.0%	2.2%	3.4%	4.2%
	Cum % BCWS						31.3%	33.3%	36.1%	38.7%	42.0%	44.6%	47.5%	51.0%	54.1%	58.1%	60.3%	63.7%	67.9%
MEB	Earned	268,054					24,543	16,071											
MEB	Forecast	116,310							14,213	16,417	22,179	20,782	20,324	13,361	4,886	996	1,535	1,581	36
MPB	Forecast	2,465,088							60,732	66,146	85,797	73,267	63,044	87,196	78,850	118,402	65,737	80,817	80,603
PSF	Forecast	181,877										705	4,239	6,900	11,756	20,641	13,455	19,154	13,140
SAB	Forecast	1,101,984							16,803	13,879	21,984	26,701	34,135	47,768	42,317	65,734	46,455	61,490	63,238
	Total	3,865,258							91,748	96,442	129,960	121,456	121,743	155,224	137,809	205,774	127,182	163,042	157,017
	Cum Fcst								91,748	188,190	318,150	439,606	561,348	716,573	854,381	1,060,155	1,187,337	1,350,379	1,507,396
MEB	BCWR	135,634				1.17			16,574	19,145	25,864	24,235	23,701	15,581	5,697	1,161	1,790	1,844	42
MPB	BCWR	2,283,548				0.93			56,260	61,274	79,479	67,872	58,402	80,774	73,043	109,683	60,896	74,865	74,667
PSF	BCWR	164,971				0.91			0	0	0	640	3,845	6,258	10,663	18,722	12,204	17,373	11,919
SAB	BCWR	964,870				0.88			14,712	12,152	19,248	23,379	29,888	41,824	37,052	57,555	40,675	53,839	55,370
	Total	3,549,023				0.92			87,546	92,571	124,591	116,125	115,835	144,438	126,456	187,122	115,565	147,922	141,997
	Cum BCWR								1,494,796	1,587,367	1,711,958	1,828,084	1,943,919	2,088,357	2,214,812	2,401,934	2,517,499	2,665,421	2,807,418
Total	% BCWR / Month								1.8%	1.9%	2.5%	2.3%	2.3%	2.9%	2.6%	3.8%	2.3%	3.0%	2.9%
Total	Cum % BCWR								30.2%	32.0%	34.5%	36.9%	39.2%	42.1%	44.7%	48.5%	50.8%	53.8%	56.6%
MEB	Cum BCWR								284,628	303,772	329,636	353,871	377,572	393,153	398,850	400,011	401,801	403,646	403,687
MEB	% BCWR / Month								4.1%	4.7%	6.4%	6.0%	5.9%	3.9%	1.4%	0.3%	0.4%	0.5%	0.0%
MEB	Cum % BCWR								70.5%	75.2%	81.7%	87.7%	93.5%	97.4%	98.8%	99.1%	99.5%	100.0%	100.0%
MPB	Cum BCWR								833,198	894,472	973,951	1,041,823	1,100,224	1,180,998	1,254,042	1,363,724	1,424,620	1,499,485	1,574,152
MPB	% BCWR / Month								1.8%	2.0%	2.6%	2.2%	1.9%	2.6%	2.4%	3.6%	2.0%	2.4%	2.4%
MPB	Cum % BCWR								27.2%	29.2%	31.8%	34.0%	35.9%	38.6%	41.0%	44.6%	46.5%	49.0%	51.4%
PSF	Cum BCWR								0	0	0	640	4,484	10,743	21,406	40,128	52,333	69,706	81,625
PSF	% BCWR / Month								0.0%	0.0%	0.0%	0.4%	2.3%	3.8%	6.5%	11.3%	7.4%	10.5%	7.2%
PSF	Cum % BCWR								0.0%	0.0%	0.0%	0.4%	2.7%	6.5%	13.0%	24.3%	31.7%	42.3%	49.5%
SAB	Cum BCWR								376,971	389,123	408,372	431,751	461,639	503,463	540,515	598,070	638,745	692,584	747,953
SAB	% BCWR / Month								1.1%	0.9%	1.5%	1.8%	2.3%	3.2%	2.8%	4.3%	3.1%	4.1%	4.2%
SAB	Cum % BCWR								28.4%	29.3%	30.8%	32.5%	34.8%	37.9%	40.7%	45.1%	48.1%	52.2%	56.4%

Figure 2: Direct Hire Craft Hours (Discrete Scope Only) – Uses January 2021 Forecast

The following filter shall be used by NNSA to select/measure the Direct Hire (Discrete Only) % Construction Complete. NNSA reserves the right to consider or exclude new construction work packages added after January 2021 ME Forecast Schedule.

The following Three Criteria MUST to be met to Select "Discrete BNI Direct Hire Construction Craft"			
OBS EQUALS = CON	Select if construction is responsible		
Resource BEGINS WITH			
2WPCUUF0*	Select UPF Direct Hire Craft		
2LR00ZT0*	Selected the Custom Arc Welders Craft (BNI Craft Staff Aug)		
Reject LOE; or Discrete: Start-Up, Operations Support, Facility Services or Subcontractor Work Packages; from the following Discrete Construction Direct Hire Control Accounts or MEB Work			
WBS	Lvl	EVT	Description
1.07.02.09.45.40.40	CA	Discrete	MEB Construction
1.07.02.09.45.40.45.20	WP	Discrete	MEB CT Construction (Direct Hire)
1.07.02.09.45.40.47.30	WP	Discrete	MEB Early Yard Sitework
1.07.02.09.45.40.47.40	WP	Discrete	MEB Remaining Yard Sitework
1.07.02.09.45.50.20.31	CA	Discrete	FTP Construction
1.07.02.09.45.50.30.31	CA	Discrete	SDG Construction
1.07.02.09.45.50.40.31	CA	Discrete	SAB/PSB Construction
1.07.02.09.45.60.10.31	CA	Discrete	HCON Construction
1.07.02.09.45.60.20.31	CA	Discrete	PIDAS Construction
1.07.02.09.45.60.30.31	CA	Discrete	YARD Construction
1.07.02.09.45.60.30.51	CA	Discrete	YARD SICD
1.07.02.09.45.60.40.31	CA	Discrete	MPB Construction
1.07.02.09.45.80.10.31	CA	Discrete	GSA Construction
1.07.02.09.45.80.20.31	CA	Discrete	PSF Construction

Figure 3: Exclusion list

APPROVALS

The subject incentive shall be incorporated as an exhibit to the Master Fee Annex on its next major revision.

[REDACTED]

Dena J Volovar, UPF Project Director
Consolidated Nuclear Security, LLC

Date

[REDACTED]

Scott S. Crawford, UPF Prime Contracts Manager
Consolidated Nuclear Security, LLC

Date

[REDACTED]

Dale E. Christenson, Federal Project Director
NNSA, Y-12 APMO

Date

[REDACTED]

Michael C. Bocskovits, Contracting Officer
NNSA, Y-12 APMO

Date

Uranium Processing Facility

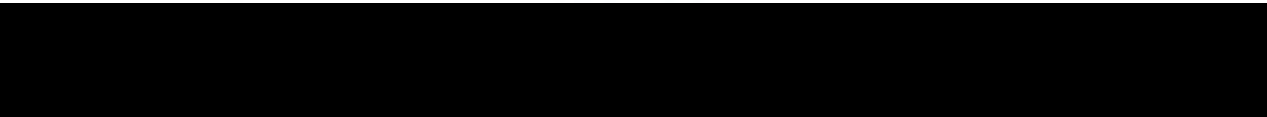
Substation Subproject Fee Structure

Annex 5 (Rev 3)



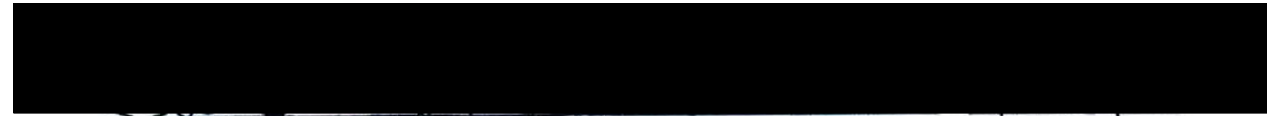
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APPROVALS



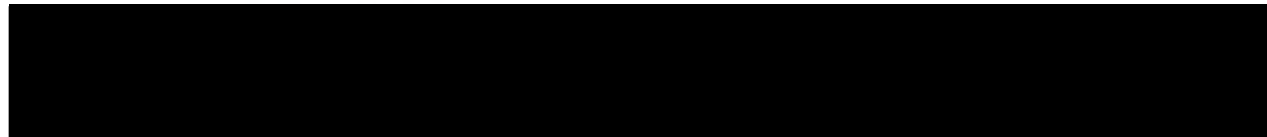
John P. Howanitz, UPF Project Director
Consolidated Nuclear Security, LLC

Date



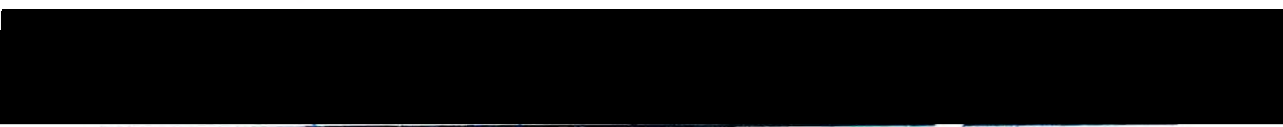
Scott S. Crawford, UPF Prime Contracts Manager
Consolidated Nuclear Security, LLC

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Dale E. Christenson, Federal Project Director
NNSA, UPF Project Office

Date



Philip M. Kirby, Contracting Officer
NNSA, UPF Project Office

Date

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REVISION LOG

Revision	Date	Description	Total Pages	Affected Pages
0	April 2017	Initial Issue	Front matter, i–ix; Body; Appendix A; Appendix B; Appendix C,; and Appendix D	All
1	April 2018	Change to estimated cost/fixed fee related to installation of 3-phase temporary power and removal of six I&C activities.	Front matter, i–ix; Body; Appendix A; Appendix B; Appendix C,; and Appendix D	3-5, 10.
2	September 2018	Revision incorporates (3) separate changes to estimated cost/fixed fee: (1) Procurement Pool removal, (2) LOE Adjustment, and (3) revised Temp Power scope.	Front matter, i–ix; Body; Appendix A; Appendix B; Appendix C; and Appendix D	3, 11
3	August 2019	Change to estimated cost/fixed fee related to LOE Adjustment. Adjusted milestone dates for Permanent Comms, Turnover, and completion of CNS Support.	Appendix A	3, 5, 7, 9-11,

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3	Approach	1
4	Establishing Annex	1
5	Annex Oversight	2
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	APPENDIX A: Performance Objectives	3
	APPENDIX B: Fee Structure	20
	APPENDIX C: Government Oversight Model	22
	APPENDIX D: References	24

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ACRONYMS

CD	Critical Decision
CNS	Consolidated Nuclear Security, LLC
CO	Contracting Officer
COR	Contracting Officer Representative
DARTCR	Days Away Restricted or Transferred Case Rate
DID	Data Item Description
DOE	U.S. Department of Energy
EAC	Estimate at Completion
ENS	Emergency Notification System
EPC	Engineering, Procurement, Construction
FIR	Fire Alarm
FPD	Federal Project Director
GAO	General Accounting Office
IMS	Integrated Master Schedule
IPMR	Integrated Program Management Report
IPT	Integrated Project Team
kV	Kilovolt
M&O	Management and Operating
MVA	Megavolt Ampere
NNSA	National Nuclear Security Administration
PA	Public Address
PARS II	Project Assessment and Reporting System II
SME	Subject Matter Expert
SS	Substation Subproject
TBD	To Be Determined
TVA	Tennessee Valley Authority
UMS	Utility Monitoring System
UPF	Uranium Processing Facility
UPO	UPF Project Office
UTN	Unclassified Telecommunications Network
WBS	Work Breakdown Structure
Y-12	Y-12 National Security Complex

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1 INTRODUCTION

The Uranium Processing Facility (UPF) Substation Subproject (SS) scope, herein referenced as "SS," was authorized by the National Nuclear Security Administration (NNSA) to construct a new 161 kV – 13.8 kV air-insulated, outdoor substation and transmission lines with the capability to meet both the UPF operations and longer-term Y-12 power needs. The SS scope is divided between Consolidated Nuclear Security, LLC (CNS), herein referenced as "Contractor," and the Tennessee Valley Authority (TVA), as defined in the UPF Substation Subproject Project Execution Plan (Ref. 9), which establishes the formal Critical Decision (CD) -2/3 scope execution plan.

The SS scope supports the UPF Project by completing key infrastructure construction work. The SS scope is best characterized as standard commercial work, and does not implement new technologies. The Contractor's scope shall be managed through the Project's construction management baseline to ensure the scope, mission requirements, and schedules are met within the approved Contract Budget Base, Statement of Work, and Level II/III Milestones that must be achieved to not impact the UPF CD-4 date (4th Qtr, FY 2025).

The SS CD-2/3 scope shall support the Enriched Uranium Mission, with timely, cost effective, high quality deliverables.

2 PURPOSE

The SS Fee Structure (Annex 5), herein referenced as "SS Annex," is a subset of the overarching Contract, Section J, Appendix B-2, "UPF Fee Plan," that documents the Performance Objectives and Fee arrangement, in which SS scope performance will be evaluated. The purpose of the SS Annex is to document the fixed fee structure, and define how NNSA will determine the final amount of Contractor earned fee, thereby establishing a "contract price" for the SS scope.

3 APPROACH

The desired performance of the Contractor is to deliver high quality SS deliverables (technical requirements) and integration support that will ultimately aid in the delivery of a UPF that is fully capable of meeting all Department of Energy/National Nuclear Security Administration (DOE/NNSA) mission performance, quality, safeguards and security, and environmental, safety, and health contractual requirements.

The desired goal is to properly incentivize the Contractor to deliver SS scope, by establishing a fair and reasonable contract price for meeting SS performance objectives. Many performance objectives under the divided SS scope are tied to TVA performance. The Contractor will not be penalized for circumstances unrelated or not attributable to Contractor performance.

4 ESTABLISHING ANNEX

The SS Annex shall be approved and incorporated into the Contract by the Contracting Officer (CO), modifying Section J, Appendix B-2, "UPF Fee Plan."

The Government will primarily incentivize the Contractor using a Fixed Fee arrangement, unless otherwise documented in the Annex.

5 ANNEX OVERSIGHT

The Government Oversight Model, Appendix C, describes the approach NNSA will use for conducting surveillance and oversight of SS performance objectives and contract deliverables. The CO and Contracting Officer's Representatives (CORs), with input from functional area managers, will measure how the key performance objectives of the Contract are met. The purpose of the oversight model is to communicate Government expectations to the Contractor in order to ensure Contract objectives (i.e., final outcomes) are achieved. The CO/COR may notify the Contractor anytime during performance of the Contract to address cost, schedule, or any performance concerns needing attention. The elements of the oversight model as outlined in Appendix C will be applied as is appropriate for the scope assigned to the Contractor.

6 CHANGE PROCEDURES

The SS Annex may be updated as necessary during Contract performance. These updates may include, but are not limited to, required changes caused by new authorized scope, project phasing, approved change control, or establishing/adjusting fee incentives and performance objectives. Any changes shall be codified by a Contract modification within Section J, Appendix B-2, "UPF Fee Plan."

All changes, including SS Baseline Changes, are subject to the thresholds outlined in the UPF Project Execution Plan (Ref. 7), and the UPF Substation Subproject Project Execution Plan (Ref. 9).

APPENDIX A: Performance Objectives

Fee – Summary for SS	
Estimated Cost	\$5,374,177
Fixed Fee (FF)	\$268,711
Contract Price (PC), includes fixed fee	\$5,642,888
NOTE: NNSA will make a Final Fee Determination after NNSA approval of UPF CD-4 and acceptance of UPF closeout report. For the purposes of this negotiated annex, all fee related to the cost objective is provisional to the end of the subproject (UPF CD-4) or contract, subject to the final fee determination and Contract modification.	

Contract Price - Change Log				
Modification	Estimated Cost		Fixed Fee	Contract Price
Rev 0	\$3,660,819		\$183,042	\$3,843,861
Rev 1	+\$66,839		+\$3,342	+\$70,181
	\$3,727,658		\$186,384	\$3,914,042
Rev 2	Procurement pool	(43,185)	(\$2,159)	(\$45,344)
	LOE Adjustment	+\$934,372	+\$46,719	+\$981,091
	Temp Power	+\$21,687	+\$1,084	+\$22,771
	\$4,640,531		\$232,028	\$4,872,560
Rev 3	LOE Adjustment	+\$617,610	+\$30,881	+\$648,491
	FY19 Distribution	+\$116,036	+\$5,802	+\$121,838
	\$5,374,177		\$268,711	\$5,642,888

APPENDIX A: Performance Objectives

Scope – Summary	
The Contractor's portion of scope, as defined in the UPF Substation Subproject Project Execution Plan (Ref. 9) including the following: Support the Substation CD-2/3 package, and Engineering, Procurement, Construction, and Testing and Commissioning of the Utility Management System, Fire Alarm Communications, Emergency Notification System, Telecommunications, and Temporary Power. – Review and Comment on the 30%, 60%, and 90% design packages to verify that TVA design conforms to the UPF Substation Performance Specification (Engineering Specification for UPF 161 kV Main Electrical Substation – TVA Design-Build (Ref. 8). – Participate in Integrated Project Team (IPT) meetings. – Perform Technical Information Office, Document Management Center, and Derivative Classification review services. – Provide engineering and technical support (electrical substation and power transmission) to clarify the Management and Operating (M&O) contractor requirements. – Provide construction integration and coordination of plant services and support to TVA, including the major SS scope tasks and responsibility for performing each task. – Participate in walk downs and inspections of TVA's 13.8 kV work, as Subject Matter Experts (SME) to the UPF Project Office (UPO) SS Federal Project Director (FPD), upon request. This includes walk downs and inspections the Contractor performs to accept the 13.8 kV portion. NOTE: Major scope elements are defined in the Work Breakdown Structure (WBS) section and schedule milestone – deliverable summary, as extracted and further defined from the UPF Substation Subproject Integrated Cost & Schedule (Ref. 10).	

Critical Decision (CD) - Summary	
SS CD-4	June 24, 2020
UPF CD-4	Forecasted – 4th QTR FY 2025

Key Performance Parameters	
1	Electrical Capacity: Provide a substation at capacity of 70 MVA.
2	Electrical Service Availability: Electrical systems are built and tested to meet the performance specification and approved test plans. All tested systems are functional (meeting performance specification and appropriate codes and standards) and are ready to be connected to future 13.8 kV distribution systems.

APPENDIX A: Performance Objectives

3	System Reliability: Provide a system that can provide at least two independent main 161 kV power feeds to the substation. Provide redundant capability to feed the 13.8 kV distribution system.
4	Communications and monitoring: All required communications, security, and monitoring systems are connected and communicating back to Y-12 Systems.
NOTE: Contractor performance is limited to delivery of temporary power for TVA site, installation of communication tie-ins, and support to UPO during the development of the design, reviews, construction, and testing, turnover, and closeout. SS CD-4 is dependent upon delivery by third parties of a functionally operable Substation that is suitable for its intended purpose.	

Schedule Milestones - Summary	
30% Design Review: Complete, Document Results, and Resolve Issues	January 27, 2017
60% Design Review: Complete, Document Results, and Resolve Issues	July 10, 2017
90% Design Review: Complete, Document Results and Resolve Issues	October 23, 2017
Establish Temporary Power for TVA Site Activities	November 1, 2018
Establish All Communications/ Alarms Tie-Ins To Plant Systems	October 18, 2019
Complete Turnover to Operations	December 12, 2019
Complete CNS Required Support	January 31, 2020

APPENDIX A: Performance Objectives

SCHEDULE MILESTONES – DELIVERABLE SUMMARY¹

Deliverable		Completion Date ³	Impact Date
Complete CNS Discrete Scope – Temporary Power		Nov 1, 2018	
Provisional/Earned at Milestone	Earned Value at Impact ²		
\$0/\$ 22,929	\$0		
Definition of Complete: <u>Establish Temporary Power for TVA Site Activities: WBS: 1.07.02.09.45.70.45</u> Installation, inspection, and acceptance of temporary power work scope. Contractor has verified that the deliverable meets power requirements as established in the Systems, Structures, and Components Interface Control Document. Evidence of completion will be provided by Contractor submission of a certification of completion.			

APPENDIX A: Performance Objectives

Deliverable		Completion Date ³	Impact Date
Complete CNS Discrete Scope – Communication		October 18, 2019	January 18, 2020
Provisional/Earned at Milestone	Earned Value at Impact ²		
\$0/\$79,172 Communications	\$0		
Definition of Complete: <u>Establish All Communications/Alarms Tie-Ins To Plant Systems: WBS: 1.07.02.09.45.70.45</u> Installation of Emergency Notification System. Installation, inspection, and acceptance of communication fiber optic trunk link and tie-ins, given delivery by TVA of a substation fit for its intended use. CNS will validate communications capability through submission of certification of completion; The CNS ability to start construction is not delayed except in locations where it is physically impossible due to ongoing TVA construction activities. CNS shall have a period of performance of no less than 89 working days to complete final testing and system certification; with the forecast start of the CNS activity to commence with the finish of TVA schedule activity number 33JL192A, Substation Construction 100% Complete. This does not preclude CNS from starting activities earlier, where feasible. In the event that CNS is not able to meet the completion date due to schedule delays and fault by TVA, pursuant to the annex change procedures, the CO will adjust the contract accordingly.			

APPENDIX A: Performance Objectives

Deliverable		Completion Date ³	Impact Date
CNS Interim Support through December 2017		December 31, 2017	
Provisional/Earned at Milestone	Earned Value at Impact ²		
\$20,000/\$0	\$0		
Definition of Complete: <u>Design Reviews/IPT Support/Site Services Support/Substation Acceptance: WBS: 1.07.02.09.45.70.40</u> TVA accomplishment of Final Design Review/SS Engineering Complete milestone: TVA has submitted final design package to UPO. Delays in submission not attributable to Contractor fault or delay within the CNS Support Scope shall not be used as a basis to deny or postpone payment of provisional fee.			

APPENDIX A: Performance Objectives

Deliverable		Completion Date ³	Impact Date
CNS Design Support and Turnover to Operations		December 12, 2019	
Provisional/Earned at Milestone	Earned Value at Impact ²		
\$0/\$28,882	\$0		
Definition of Complete: <u>30/60/90 % Design Review—Complete, Document Results, and Resolve Issues: WBS: 1.07.02.09.45.70.40</u> The Contractor shall issue a letter documenting formal comments from their staff, including review by the M&O Design Authority. The letter shall verify that the TVA-submitted design meets or conforms to the UPF Substation Performance Specifications. If the Contractor is unable to verify that the design conforms to specifications, then staff comments will note areas of variance. <u>Turnover to Operations: WBS: 1.07.02.09.45.70.40</u> Contractor has confirmed that all TVA-performed functional tests, identified in the TVA developed test plan, established under the submittal register are complete and sufficient. Contractor has completed all pre-operational testing, based upon a substation that is complete and suitable for its intended use. Contractor has validated operational capability through participation in TVA’s acceptance and turnover process (e.g., walkdown sign-in rosters). The Contractor shall provide evidence of completion through submission of the TVA turnover package, real property transfer record, or other record or document that authorizes the substation to be placed into service on Y-12. Contractor shall forecast the CNS activity to commence with the finish of TVA schedule activity number 33IWL92E, <i>TVA In-Service Complete</i> .			

APPENDIX A: Performance Objectives

Deliverable		Completion Date ³	Impact Date
Complete CNS Required Support		January 31, 2020	
Provisional/Earned at Milestone	Earned Value at Impact ²		
\$0/\$3,052	\$0		
Definition of Complete: <u>CNS Support TVA and UPO to Achieve Pine Ridge SS Completion: WBS: 1.07.02.09.45.70.40</u> Support shall continue as required until TVA is 100% complete with the project: the substation has been accepted, deemed suitable for its intended use, all punchlist items are complete, all submittals required by the submittal register have been received, and all close out records have been received by December 2, 2019. Support includes, but is not limited to, the following: IPT meetings, Technical Information Office/Derivative Classifier Review/Document Management Center, Engineering and Technical, construction integration, plant coordination, and SME to UPO.			

SCHEDULE MILESTONE NOTES

¹Schedule deliverables are tied to schedule milestone dates and completion definitions, including any logical ties to WBS structure and standard closure evidence.

²Each milestone's Earned Value at Impact (\$0) is achieved on the Impact Date for circumstances related and attributable to CNS performance.

³All completion criteria are pursuant to DOE O 413.3B (Ref. 2) and assume high quality deliverables, with no deficiencies (major finding(s) attributable to significant scope, cost, schedule, or safety impacts) that would prevent the project team from executing baseline.

APPENDIX A: Performance Objectives

	Schedule of Values – Fee Liquidation Schedule¹				
Paid²	Scope	Fixed Fee			
		Cost Objective		Schedule Objective	
		Provisional	Earned	Provisional	Earned
On Completion	Complete CNS Discrete Scope:				
	Establish Temporary Power for TVA Site Activities WBS: 1.07.02.09.45.70.45	\$55,527			\$23,249
	Establish All Communications/ Alarms Tie-Ins To Plant Systems WBS: 1.07.02.09.45.70.45	\$41,858			\$79,172
On Completion	Complete CNS Required Support³ and Turnover to Operations:				
	Complete 30% Design Review WBS: 1.07.02.09.45.70.40	\$6,374			—
	Complete 60% Design Review WBS: 1.07.02.09.45.70.40	\$6,374			—
	Complete 90% Design Review WBS: 1.07.02.09.45.70.40	\$6,374			—
	CNS Interim Support through December 2017 WBS: 1.07.02.09.45.70.40	\$5,000		\$20,000	
	Turnover to Operations WBS: 1.07.02.09.45.70.40	\$12,849			\$28,882
	Complete CNS Required Support				\$3,052
TBD	Final Fee Determination ^{4, 5}	\$134,356	UPF CD-4		\$134,355

APPENDIX A: Performance Objectives

SCHEDULE OF VALUES NOTES

¹Schedule incentives are tied to schedule milestone dates and completion definitions, including any logical ties to WBS structure and standard closure evidence.

²All completion criteria are pursuant to DOE O 413.3B (Ref. 2) and assume high quality deliverables, with no deficiencies (major finding(s) attributable to significant scope, cost, schedule or safety impacts) that would prevent the project team from executing baseline.

³Contractor shall provide written notice to the CO whenever they have reason to believe that costs expected to incur under the CNS support control account (WBS: 1.07.02.09.45.70.40) will exceed 75% of the level of effort budget. Contractor shall have the burden of proof for demonstrating and providing the basis for any adjustments or unforeseen conditions outside the December 2019 basis for CNS support to go, including detailed labor charges. The parties may agree to adjust the TVA support budget prior to the final fee determination, including reportioning CNS Support services and/or revising the Annex as necessary. CNS shall true up the Contract Budget Base (Performance Measurement Baseline and Management Reserve) to reflect any unused CNS support budget, and return any unused portion to the FPD's contingency.

⁴The NNSA will make a Final Fee Determination for cost objectives after NNSA approval of UPF CD-4 and acceptance of the UPF closeout report.

⁵The estimated cost contains an allowance event trigger for fixed unit rate items associated with the communications portion of the CNS discrete scope. As a result, the estimated contract price for this Annex, inclusive of fee, will be validated and adjusted by NNSA to reflect any additional required installation and/or impacts prior to the final fee determination. However, CNS shall have the burden of proof for demonstrating and providing the basis for any adjustments. See the Allowances section for the process for triggering unit rate adjustments for the estimated contract price.

APPENDIX A: Performance Objectives

Allowances – Unit Rate Items			
ID	Description/Validation	Unit	Rate
1	Trenching	yd ³	\$150.96
3	Ductbank	yd ³	\$2,190.92
4	Conduit	LF	\$182.42
7	Wire and Cable	LF	\$14.89
9	Manholes	each	\$25,747.12
11	Terminations	each	\$146.91
12	Grounding	LF	\$39.61
13	Overhead Lines (Poles)	each	\$10,790.74
14	Jack and Bore	LF	\$8,074.59
10	BNI Non Manual	hour	\$125.86
11	CNS Non Manual	hour	\$190.39
Notes: 1 – The unit rate allowances will be used by NNSA for validating and calculating any potential adjustment to the estimated contract price in the event that additional units are required.			

APPENDIX A: Performance Objectives

Allowance Requirements –Unit Rate Items

In the event any or all three initial subproject assumptions, outlined below, do not apply, i.e., the event trigger, CNS shall immediately notify the CO via formal written notice.

Initial Subproject Assumptions: (1) The connection and circuit capacity at pole K2648 remains viable for the Unclassified Telecommunications Network, Utility Monitoring System, Emergency Notification system/Public Address, Fire Alarm (FIR), and Communications uses, (2) the FIR connection to Y-12 is not a Class A loop, and (3) conflicts resulting from the Y-12 routing of 13.8 kV distribution lines are not present.

Event Trigger: If an event trigger is realized, CNS shall provide notice to the CO, followed within 30 calendar days by supporting estimates reflective of the new design and an explanation of why the assumptions are no longer valid. The CO shall render a determination within 20 calendar days of receiving the estimate. The parties shall equitably adjust the fee annex for the additional units agreed to.

CNS has the burden of proof in demonstrating final quantities and schedule impacts.

APPENDIX A: Performance Objectives

Work Break Down Structure (WBS)									
WBS Level									Title
1	2	3	4	5	6	7	8	9	
1	07	02	09	45	70	45			Establish Temporary Power for TVA Site Activities
Description of Scope									
Provide temporary power to support both the TVA trailers (including power for lights, climate control, and office equipment) and all construction equipment (including welders, power tools, lighting, safety items, etc.) at the Substation switch yard. The understandings of temporary power requirements and access points for this power will be documented in a Systems, Structures, and Components Interface Control Document. The power pole(s) shall be installed on the south side of the Haul Road in the vicinity of the SS yard in such a way that provides ready access to the power access point(s).									

Work Break Down Structure (WBS)									
WBS Level									Title
1	2	3	4	5	6	7	8	9	
1	07	02	09	45	70	45			Establish All Communications/Alarms Tie-Ins To Plant Systems
Description of Scope									
Permanent installation of all necessary communication trunk lines from the plant to the tie-in point in the TVA provided Substation. Permanent installation of Emergency Notification in the Substation. Upon delivery of a functionally operable Substation that is suitable for its intended purpose, connect all required communications, security, and monitoring systems to the Substation. All systems will be tested and confirmed functional/fit for intended use by the Contractor.									

APPENDIX A: Performance Objectives

Work Break Down Structure (WBS)									
WBS Level									Title
1	2	3	4	5	6	7	8	9	
1	07	02	09	45	70	40			Design Reviews/IPT Support/Site Services Support/Substation Acceptance
Description of Scope									
<u>Reviews</u> Review and comment on the 30%, 60%, and 90% design packages to verify TVA design conforms to the project performance specification. The M&O participation in the 30/60/90% design review shall include all appropriate functional areas.									
<u>Support</u> - Attend and contribute to the Substation IPT meetings with expertise that includes Security, Engineering, Project Management, Environmental, Safety and Health, Operations and Maintenance. - Provide Technical Information Office, Documents Management Center and Derivative Classification review services, as needed. - Provide engineering and technical support (electrical substations and power transmission) to clarify CNS requirements. - Function in an SME capacity for UPO. - Provide construction integration and coordination of plant services and support to TVA, including processing construction permits; lock out/tag out; identifying areas for laydown, parking, and construction trailers; connecting temporary construction power; process badging requests; providing radiological control services to TVA; providing input, rules, and guidance for waste disposition; coordinating security, information technology support, and utility outages and connections. - Support shall continue as required until TVA is 100% complete with the project and all documents closed out by 02-Dec-2019. - Provide adequate safety services during construction activities upon Government request.									
<u>Acceptance</u> Participate in walk downs and inspection of TVA's 13.8 kV work, as SME advisors to Substation FPD, upon request. These include those necessary for CNS to accept the 13.8 kV portion of the UPF Substation yard.									

APPENDIX A: Performance Objectives

Work Break Down Structure (WBS)									
WBS Level									Title
1	2	3	4	5	6	7	8	9	
1	07	02	09	45	70	40			Turnover to Operations
Description of Scope									
Relevant work identified in the Transition and Turnover Plan for the Pine Ridge 161-kV Substation (Ref. 7) is completed and the turnover package is accepted by Utilities Management for future operations and maintenance. Using a comprehensive substation submittal register provided by the Government, Contractor has confirmed that the tests performed by TVA were completed and sufficient; that the M&O has completed all the pre-operational testing (component and integrated systems) and confirmed possession of all documentation necessary to accept ownership and all operational responsibilities for the 13.8 kV equipment in the substation yard (as depicted by the UPF Substation Performance Specification [Ref. 8]). The M&O will confirm that the 13.8 kV components and systems meet all internal requirements; and training is complete. Additional activities in the Turnover plan that cover the connection of 13.8 kV power lines to the MEB and Y-12 are not part of the SS scope.									

APPENDIX A: Performance Objectives

Reporting Requirements
The FPD and CO, with inputs from other Government personnel, will verify the on-time submission of project reports that meet DOE/NNSA requirements contained in the Data Item Descriptions (DIDs). The Government will perform this verification by comparing the DOE/NNSA requirements contained in the following DIDs to the deliverables provided by the Contractor.

Data Item Description	Title
DID-ENG-0002	As-Built Drawings
DID-ENG-0021	Engineering Drawings
DID-ENG-0026	Request for Deviation
DID-PM-0001	Change Control Board Log and Minutes
DID-PM-0001/T	Document of Trend Board/Change Control Board Meetings
DID-PM-0004	Project Completion Verification
DID-PM-0022	WBS & WBS Dictionary
DID-PM-0026/T	Monthly Project Report
DID-PM-0027/T	Resource Loaded Schedule (Baseline and Forecast provided monthly)
DID-PM-0029/T	Total Project Cost
DID-PM-0036/T	Federal Project Director Quarterly Project Review (provided monthly)
DID-PM-0041/T	Project Closeout Report
DID-PRG-0001	Checkout, Testing, and Operations Acceptance
DID-PRG-0009	Transition to Operations Plan
DID-PRG-0021	Monthly Status Project Assessment and Reporting System (PARS) II Report

APPENDIX A: Performance Objectives

Data Item Description	Title
DID-PRG-0022/T	Integrated Program Management Report (IPMR)
DID-SAF-0005	Hazards Analysis Report
DID-SAF-0014	Integrated Safety Management Plan
DID-SAF-0017	Occurrence Report
DID-SAF-0018	Lesson Learned Report
DID-SEC-0003	Security Plan
OT-CST-1005	Daily Construction Status Reports
OT-CST-1006	Weekly Working Construction, Engineering, and Procurement Schedules (provided as hard copy <u>and</u> native format)
NA	Monthly Labor Charges Report
NA	Weekly Construction Status Report
NA	Construction Work Packages
NA	Weekly Work Plan (in accordance with Y17-95-64-818) (Ref. 11)

APPENDIX B: Fee Structure

SS Fee Structure - Terms

The Government will use the following fee structure for SS fee calculation.

P_C = Contract Price ** // Negotiated Contract Price (\$), including fee.

F_F = Fixed Fee // Negotiated Fixed Fee (\$).

F_{AFF} = Adjusted Final Fee * // Fee Adjustment (\$) for any impacts.

* Final fee determination will be made by Government.

** Earned fee rules apply in determining final Contract Price.

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APPENDIX C: Government Oversight Model

Cost Objective: The Government will oversee Cost Performance by verifying the Contractor's approved baseline data to ensure mission commitments are met with timely, high quality deliverables, in accordance with DOE O 413.3B (Ref. 2) and ANSI-EIA-748-B (Ref. 1), or as defined in the Contract. The Government's purview of the Contractor's project management responsibility related to Cost Objective includes, but is not limited to the following:

- Complete authorized scope in accordance with the approved Performance Measurement Baseline; provide timely project reporting.
- Manage a deliverable-based WBS; cost control accounts, work packages, and planning packages consistent with WBS and scope.
- Use established DOE earned value methods, measure work accomplishments, and assess project performance; perform variance analysis to identify, correct, and report problems; and evaluate monthly Estimates at Completion (EAC).
- Expend funds and resources that optimally provide maximum benefit to the Government; perform proactive and effective subcontract management oversight of subcontractors to ensure effective cost performance controls.
- Maintain the total cost under configuration control to ensure impacts of design evolution on procurement, construction, and commissioning are managed effectively; ensure retroactive adjustments to the baseline are not allowed.
- Produce cost estimates compliant to the GAO Cost Estimating and Assessment Guide (Ref. 5) and DOE G 413.3-21, Cost Estimating Guide (Ref. 3); consider life cycle cost when evaluating proposed Project changes.
- Demonstrate effective procurement and subcontract management oversight by driving costs down through competition, making best use of tier two subcontracting opportunities, including maximizing use of fixed price subcontracts and small business participation.
- Establish and maintain a project organization that implements a disciplined conduct of business, EPC commercial best practices, contract management, systems, processes, and procedures in accordance with applicable DOE directives and project requirements.
- Execute quality work products with minimal rework, (e.g., designs, specifications, plans, procurement, construction, testing, and commissioning); and demonstrate implementation of an approved DOE O 414.1D, Quality Assurance (Ref. 4).
- Identify, quantify, avoid and mitigate technical, programmatic, schedule, and cost risks.

Schedule Objective: The Government will oversee Schedule Performance by verifying the Contractor's Integrated Master Schedule (IMS) data to ensure mission commitments are met with timely, high quality deliverables, in accordance with Part III-Section J, Appendix N, DOE O 413.3B (Ref. 2), and ANSI-EIA-748-B (Ref. 1), or as defined in the Contract. The Government's purview of the Contractor's project management responsibility related to Schedule Objective includes, but is not limited to the following:

- Execute scope in accordance with NNSA approved Project Execution Plans.
- Manage an IMS to support project management, implementation and control; include the total scope of baselined work and identify WBS elements for all activities and milestones; identify interdependencies between project activities/milestones to reflect a credible, logical project sequence; activity durations which are reasonable, measureable, and appropriately detailed for effective management; appropriate activity and resource calendars are employed.
- Baseline the IMS and control the content using the project change control board processes; maintain current project status and credible start/finish forecasts for all to-go tasks and milestones; include project and management controls milestones (e.g., critical decisions, major design reviews, technology, procurement, construction, testing, and commissioning); incorporate reasonable and available labor, material, and equipment resources.
- Manage a credible critical path, as determined by the calculated IMS logic network; ensure adequate schedule margin has been included and clearly defined; ensure the number of lags/leads and activity constraints is reasonable. Incorporate subcontracted activity into schedule/critical path to ensure visibility to the Government.
- Compliance with all applicable environmental, safety, and security requirements. No formal notices of violation or similar citations from a federal, state, or local regulatory agency; excellent safety Days Away Restricted or Transferred Case Rate (DARTCR) rates; no safeguards and security incidents.
- Minimize construction down times; delays to construction activities are minimal, and all delays are proactively identified, tracked, analyzed for patterns, evaluated for quick resolution, and reported expeditiously to CO/FPD.
- Design and engineering products, including material and equipment, shall have the necessary technical and constructability (fabrication) quality to accomplish procurement, fabrication, and construction expeditiously without major problems or delays (Title II).
- Provide Resident Engineering representation as directed to support Construction and oversee the design's intent and requirements; exceptions are rare to non-existent without problems or delays (Title III).
- Perform pre-award/award/post-award, surveillance/oversight functions to support and/or accomplish requirements. Proper source/destination inspection and acceptance provisions are Government special interest items to ensure receipt of quality subcontracted products/materials.
- Identify, quantify, and mitigate project schedule risks; perform schedule risk assessments to predict the on-time completion probability.

APPENDIX D: References

1. ANSI-EIA-748-B, Earned Value Management Systems (EVMS)
2. DOE O 413.3B, Program and Project Management for the Acquisition of Capital Assets
3. DOE G 413.3-21, Cost Estimating Guide
4. DOE O 414.1D, Quality Assurance
5. GAO-09-3SP, GAO Cost Estimating and Assessment Guide
6. PL-PJ-801768-A006, UPF Project Execution Plan, (UPF PEP), Project Number 06-D-141
7. PL-PM-801768-A051, Transition and Turnover Plan for the Pine Ridge 161-kV Substation
8. PS-EE-801768-A001, Engineering Specification for UPF 161 kV Main Electrical Substation – TVA Design-Build
9. UPO-PL-95-A007, UPF Substation Subproject Project Execution Plan
10. UPO-PL-95-A012, UPF Substation Subproject Integrated Cost & Schedule
11. Y17-95-64-818, UPF Construction Weekly Work Plan

Uranium Processing Facility (UPF)

Site Preparation and Long Lead Procurement CD-3A (SP/LL) Fee Structure

Annex 4 (REV 3)



Date
John P. Howanitz
UPF Project Director
Consolidated Nuclear Security, LLC

Date
Dale E. Christenson
Federal Project Director
NNSA, UPF Project Office

Date
Scott S. Crawford
UPF Prime Contracts Manager
Consolidated Nuclear Security, LLC

Date
Philip M. Kirby
Contracting Officer
NNSA, UPF Project Office

Revision Log

Revision	Date	Description	Total Pages	Affected Pages
0	June 28, 2016	Initial issue.	Front matter, i–ii Body, 1–2; Appendix A, B, and C.	All
1	June 21, 2017	Change to target cost/target fee related to draw from contingency for excavation beyond design volumes. Added 22 days to impacted fee milestones and \$4.19M to target price.	Front matter, i–ii Body, 1–2; Appendix A, 1-32; Appendix B, 1-2; and Appendix C, 1-3.	A-1 - A-2; A-5 - A-10; B-2
2	March 8, 2018	Change to target cost/target fee related to moving new scope – RS 10" Fire Water Line from MPB scope to mitigate need to excavate same area.	Front matter, i–ii Body, 1–2; Appendix A, 1-33; Appendix B, 1-2; and Appendix C, 1-3.	A-1, A-2, A-8, A-10; B-2
3	June 4, 2018	Change to target cost/target fee related to Procurement Pool removal.	Front matter, i–ii Body, 1–2; Appendix A, 1-33; Appendix B, 1-2; and Appendix C, 1-3.	A-1, A-2, A-8, A-10; B-2

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COST PLUS INCENTIVE FEE (CPIF) MODEL/GRAPH	
 APPENDIX C	 C-1
GOVERNMENT OVERSIGHT MODEL	

1. Introduction

The Uranium Processing Facility (UPF) Site Preparation and Long Lead Procurement CD-3A (SP/LL CD-3A) scope, herein referenced as “SP/LL CD-3A,” was authorized by the National Nuclear Security Administration (NNSA) to advance the scope of the Mechanical Electrical Building (MEB), Salvage Accountability Building (SAB), and Main Processing Building (MPB) future subprojects. The SP/LL CD-3A scope is being performed by Consolidated Nuclear Security, LLC (CNS), herein referenced as “Contractor,” as defined in the UPF Project Execution Plan, PL-PJ-801768-A006, which establishes the formal plan for executing the CD-3A scope.

The SP/LL CD-3A scope supports the UPF Project by completing key critical-path site preparation construction work so that the Project site will be ready for subsequent nuclear facility construction. The SP/LL CD-3A scope is best characterized as standard commercial with risk significant (RS) attributes to be verified by the Contractor, and does not implement new technologies. The SP/LL CD-3A scope shall be managed through the use of the Project’s construction management baseline in order to ensure the scope, mission requirements, and schedules are met within the approved Contract Budget Base (CBB), Statement of Work, and Level II/III Milestones that must be achieved to not impact the nuclear construction forecast schedule UPF CD-4 date (4th QTR FY 2025).

The SP/LL CD-3A scope shall support the Enriched Uranium Mission (EUM), with timely, cost effective, high quality deliverables.

2. Purpose

The SP/LL CD-3A Fee Structure, herein referenced as “SP/LL CD-3A Annex” (Annex 4), is a subset of the overarching Contract, Section J, Appendix B-2, “UPF Fee Plan,” that documents the Performance Objectives and Cost Plus Incentive Fee (CPIF) arrangement, in which SP/LL CD-3A performance will be evaluated. The purpose of the SP/LL CD-3A Annex is to document the target cost and incentive fee structure, and define how NNSA will determine the final amount of Contractor earned fee, thereby establishing a “contract price” for the SP/LL CD-3A scope.

3. Approach

The desired performance of the Contractor is to deliver high quality SP/LL CD-3A deliverables (technical requirements) and/or integration support, which will ultimately deliver a UPF fully capable of meeting all DOE/NNSA mission performance, quality, safeguards and security, and environmental, safety, and health contractual requirements. The desired goal is to properly incentivize the Contractor to deliver SP/LL CD-3A scope on/or under budget and on/or ahead of schedule, by establishing a reasonable Target Price, including Cost and Schedule Performance Objectives for meeting the SP/LL CD-3A scope.

4. Establishing Annex

The SP/LL CD-3A Annex shall be approved and incorporated into the Contract by modification at Section J, Appendix B-2, UPF Fee Plan by the Contracting Officer (CO).

The Government will primarily incentivize the Contractor using the following critical performance objectives, unless otherwise documented in the Annex:

- Cost
- Schedule

By employing these incentives, the Government expects to motivate the Contractor to aggressively manage resources as required in order to provide high-quality and timely completion of authorized scope and/or integration/support of all SP/LL CD-3A deliverables. Eligibility and the amount of the incentive fee earned shall be dependent on the Contractor meeting or exceeding the established performance objectives. Failure to meet any of the established SP/LL CD-3A Performance Objectives, Appendix A, may result in the Contractor's forfeiture of incentive fee for that assigned objective or element.

5. Annex Oversight

The Government Oversight Model, Appendix C, describes the approach NNSA will use for conducting surveillance and oversight of SP/LL CD-3A Performance Objectives and Contract deliverables, in order to ensure the Contractor delivers high quality products and services that meet the UPF Project requirements. The CO and Contracting Officer's Representatives (CORs), with input from functional area managers, will measure how the key performance objectives of the Contract are met. The purpose of the oversight model is to communicate Government expectations to the Contractor in order to ensure Contract objectives, i.e., final outcomes, are achieved. The CO/COR may notify the Contractor anytime during performance of the Contract to address cost, schedule, and/or performance concerns needing attention.

6. Change Procedures

The SP/LL CD-3A Annex may be updated as necessary during Contract performance. These updates may include, but are not limited to, required changes caused by new authorized scope, project phasing, approved change control, and/or establishing/adjusting fee incentives and performance objectives. Any changes shall be codified by a Contract modification within Section J, Appendix B-2, UPF Fee Plan.

All changes, including SP/LL CD-3A Baseline Changes, are subject to the thresholds outlined in the UPF Project Execution Plan, PL-PJ-801768-A006, Appendix C.

Appendix A
SP/LL CD-3A PERFORMANCE OBJECTIVES

Fee – Summary for SP/LL CD-3A	
Target Price (P_T), includes available fee	\$114,946,035.00
Available Fee (F_A), only includes unrealized cost and schedule fee	\$5,473,620.00
Note: NNSA will make a Final Fee Determination after NNSA approval of UPF CD-4 and acceptance of UPF closeout report. For the purposes of this negotiated annex, all fee related to the cost objective is provisional to the end of the project (UPF CD-4) or contract, subject to the final fee determination and Contract modification.	
Cost Objective Elements – 50%	
Target Cost (C_T)	\$109,472,415.00
Target Fee (F_T)	\$2,736,810.00
Level 1 Under Target Cost (C_{UT1})	\$106,429,193.00
Level 1 Under Target Share Ratio (S_{GU1}/S_{CU1})	90/10
Level 2 Under Target Cost (C_{UT2})	\$101,210,424.00
Level 2 Under Target Share Ratio (S_{GU2}/S_{CU2})	70/30
Maximum Fee (F_{MAX})	\$4,606,763.00
Level 1 Over Target Cost (C_{OT1})	\$112,515,637.00
Level 1 Over Target Share Ratio (S_{GO1}/S_{CO1})	90/10
Level 2 Over Target Cost (C_{OT2})	\$114,948,125.00
Level 2 Over Target Share Ratio (S_{GO2}/S_{CO2})	0/100
Minimum Fee (F_{MIN})	\$0

Schedule Objective Elements - 50%	
Schedule Fee (F _{SM}) Milestones	\$2,736,810.00

Target Price - Change Log			
Modification	Target Cost	Available Fee	Target Price
Rev 0	\$106,956,778.00	\$5,347,838.00	\$112,304,616.00
Rev 1	\$3,997,232.00	\$199,862.00	\$4,197,094.00
Rev 2	\$200,964.00	\$10,048.00	\$211,012.00
Rev 3	(\$1,682,559.00)	(\$84,128.00)	(\$1,766,687.00)
	\$109,472,415.00	\$5,473,620.00	\$114,946,035.00

Scope – Summary
The major SP/LL CD-3A scope tasks and responsibility for performing each task are defined in <i>UPF Project Scope for CD-3A Long-Lead/Bulk Procurements and Site Preparation</i> (PL-PM-801768-A011), and Letter of Direction, COL-NNSA-UPO-PM-801768-A068 (COR-PS-8.19.2015-639130) <i>Contracting Officer Direction for the Site Preparation Critical Decision Package</i>. NOTE: Major scope elements are defined in the Work Breakdown Structure (WBS) section and schedule milestone – deliverable summary, as extracted and further defined from PL-PM-801768-A011.

Critical Decision (CD) - Summary	
UPF CD-4 Forecasted Approval	4 th QTR FY 2025

Schedule Milestones – Deliverable Summary ¹

Deliverable			Completion Date ³	Impact Date
Start Excavation WBS: 1.07.02.09.45.60.80.10.10			September 8, 2016	N/A
Provisional Value at Milestone	Earned Value at Impact ²	Earned Value at Max Stretch Goal		
\$194,109.00	\$0	N/A		
Definition of Complete: All mobilization and excavation pre-construction submittals for mass excavation have been accepted by CNS. The excavation subcontractor is mobilized to start excavation scope. The subcontractor has achieved removal (Load/Haul/Dump) of 75 loads. Objective evidence that verifies completeness (e.g. Contractor Weekly Reports) is provided.				

Deliverable			Completion Date ³	Impact Date
Retaining Wall Complete WBS: 1.07.02.09.45.60.80.10.50			August 4, 2017	February 20, 2018
Provisional/Earned Value at Milestone	Earned Value at Impact ²	Earned Value at Max Stretch Goal		
\$129,406.00/\$105,165.00	\$0	N/A		
Definition of Complete: Installation, completion, inspection, acceptance, and turnover of work scope per the design and subproject terms/conditions. Installation of retaining wall including formwork, rebar, embeds, and placement per design and specification is complete. Standard closure evidence provided. The fee associated with this Earned Value at Milestone is only available until February 19, 2018.				

Schedule Milestones – Deliverable Summary ¹ (continued)				
Deliverable			Completion Date ³	Impact Date
West End Feeder Upgrade Complete WBS: 1.07.02.09.45.60.80.40.82			November 14, 2016	N/A
Provisional Value at Milestone	Earned Value at Impact ²	Earned Value at Max Stretch Goal		
\$230,343.00	\$0	N/A		
Definition of Complete: Installation, completion, inspection, acceptance, and turnover of work scope per the design and subproject terms/conditions. Standard closure evidence provided.				

Deliverable			Completion Date ³	Impact Date
Initiate Mud Mat Placement WBS: 1.07.02.09.45.60.80.20.10			April 10, 2017	N/A
Provisional Value at Milestone	Earned Value at Impact ²	Earned Value at Max Stretch Goal		
\$304,104.00	\$0	N/A		
Definition of Complete: Subgrade is approved by the geotechnical engineer for placement of the initial mud mat. CNS has verified that subgrade for the initial placement meets Risk Significant attributes. The first Mud Mat placement has been completed in accordance with design. Verification that the first mud mat has been placed in accordance with specifications and RS requirements.				

Schedule Milestones – Deliverable Summary ¹ (continued)				
Deliverable			Completion Date ³	Impact Date
Excavation Complete WBS: 1.07.02.09.45.60.80.10.10			October 30, 2017	N/A
Provisional Value at Milestone	Earned Value at Impact ²	Earned Value at Max Stretch Goal		
\$427,371.00	\$0	N/A		
Definition of Complete: CNS has verified that excavation is completed per engineering design boundaries. Competent shale/bedrock is confirmed. All removed material is hauled to and placed at the appropriate location. Sediment Basin 5 is closed. Brush/tree removal is complete. Rip rap installation is complete. 18-in sump drain, select storm drains, parking lots are demolished/removed. Redlines and the corresponding survey data is complete and accepted by the UPF Project. Standard closure evidence provided.				

Deliverable			Completion Date ³	Impact Date
MEB Slab Rebar on Site and Staged in Laydown Area or in Rubb-Tents WBS: 1.07.02.09.45.60.80.30.50			January 30, 2018	July 18, 2018
Provisional/Earned Value at Milestone	Earned Value at Impact ²	Earned Value at Max Stretch Goal		
\$12,941.00/\$10,517.00	\$0	N/A		
Definition of Complete: Acceptance of rebar by procurement per Y17-95-64-804 and Y17-95-64-846. CNS verification of certificates of conformance, receipt inspections, and rebar acceptance. Objective evidence that the rebar is received, stored, and maintained per specification (Contractor Weekly Reports from the CNS PM). The fee associated with this Earned Value at Milestone is only available until July 17, 2018.				

Schedule Milestones – Deliverable Summary ¹ (continued)				
Deliverable			Completion Date ³	Impact Date
Tower Cranes Pass Factory Acceptance Test WBS: 1.07.02.09.45.60.80.40.70			March 23, 2018	N/A
Provisional Value at Milestone	Earned Value at Impact ²	Earned Value at Max Stretch Goal		
\$64,703.00	\$0	N/A		
Definition of Complete: CNS Verification that both Tower Cranes have passed the Factory Acceptance Test. Documentation and verification of FAT acceptability is provided.				

Deliverable			Completion Date ³	Impact Date
Lift 6 Concrete Placement Complete WBS: 1.07.02.09.45.60.80.20.20			November 21, 2017	August 15, 2018
Provisional/Earned Value at Milestone	Earned Value at Impact ²	Earned Value at Max Stretch Goal		
\$472,800.00/\$97,253.00	\$0	N/A		
Definition of Complete: Lift 6 is complete in accordance with design. Objective evidence that competent material determination/verification by a geotechnical engineer and CNS certificates that the mud mat was placed in accordance with plans as specifications. Standard closure evidence provided. The fee associated with this Earned Value at Milestone is only available until August 14, 2018.				

Schedule Milestones – Deliverable Summary ¹ (continued)			
Deliverable		Completion Date ³	Impact Date
Lift 9 Concrete Placement Complete WBS: 1.07.02.09.45.60.80.20.20		May 4, 2018	August 17, 2018
Provisional/Earned Value at Milestone	Earned Value at Impact ²	Earned Value at Max Stretch Goal	
\$472,800.00/\$97,253.00	\$0	N/A	
Definition of Complete: Lift 9 is complete in accordance with design. Standard closure evidence provided. The fee associated with this Earned Value at Milestone is only available until August 16, 2018.			

Deliverable			Completion Date ³	Impact Date
All Concrete Select Fill Lifts and Aggregate Backfill Placed Complete WBS: 1.07.02.09.45.60.80.20.20			May 17, 2018	August 17, 2018
Provisional/Earned Value at Milestone	Earned Value at Impact ²	Earned Value at Max Stretch Goal		
\$273,690.00/\$232,556.00	\$0	N/A		
Definition of Complete: Installation, completion, inspection, acceptance, and turnover of work scope per the design and subproject terms/conditions. Select Fill and Mud Mat: Objective evidence that competent material determination/verification by a geotechnical engineer and CNS certificates that the mud mat was placed in accordance with plans as specifications. Mineral Aggregate Backfill: QC documentation verifying the aggregate backfill was installed per design (RS attribute) is complete. Schedule incentive “All Concrete Select Fill Lifts and Aggregate Backfill Placed” is defined as: All lifts are complete and all mineral aggregate base backfill is placed and “A” punch list items are complete. The fee associated with this Earned Value at Milestone is only available until August 16, 2018.				

Schedule Milestones – Deliverable Summary ¹ (continued)				
Deliverable			Completion Date ³	Impact Date
All Tower Cranes Operational WBS: 1.07.02.09.45.60.80.40.70			August 27, 2018	November 24, 2018
Provisional/Earned Value at Milestone	Earned Value at Impact ²	Earned Value at Max Stretch Goal		
\$191,583.00/\$152,981.00	\$0	N/A		
Definition of Complete: Installation, completion, inspection, acceptance, and turnover of work scope per the design and subproject terms/conditions. Tower cranes are erected and pass all certifications for use. The fee associated with this Earned Value at Milestone is only available until November 23, 2018.				

Schedule Milestones – Deliverable Summary ¹ (continued)				
Deliverable			Completion Date ³	Impact Date
RS Firewater Supply Line Installation WBS: 1.07.02.09.45.60.80.40.97			August 1, 2018	November 24, 2018
Provisional/Earned Value at Milestone	Earned Value at Impact ²	Earned Value at Max Stretch Goal		
\$0/\$5,024.00	\$0	N/A		
Definition of Complete: Installation, completion, inspection, acceptance and turnover of work scope per the design. CNS certificates that the line is placed in accordance with plans provided. The fee associated with this Earned Value at milestone is only available until November 23, 2018.				

Deliverable			Completion Date ³	Impact Date
All CD-3A Scope Completed/Accepted WBS: 1.07.02.09.45.60.80			November 11, 2018	December 12, 2018
Earned Value at Milestone	Earned Value at Impact ²	Earned Value at Max Stretch Goal	Completion Delay Reductions (Calendar Days)	
\$2,078,125.00	\$0	N/A	\$66,667.00/day; \$2,000,000.00 max	
Definition of Complete: Installation, completion, inspection, acceptance, and turnover of work scope per the design and subproject terms/conditions. Inspections shall be performed and documented in accordance with Y15-95-912, <i>UPF Completion and Turnover</i> per procedure. Turnover shall be to the UPF Project and will include all relevant supporting documentation (e.g. material certificates of conformance, receipt inspection, test reports, as built drawings, and engineering determinations/verifications). All project documentation shall be captured in the UPF Document Management Center and maintained as a project record. The fee associated with this Earned Value at Milestone is only available until December 11, 2018.				
NOTES: 1 – Schedule Milestones are tied to definitions of complete, including any logical ties to WBS structure and standard closure evidence. 2 – Earned Value at Impact (\$0) is achieved on the Impact Date for each milestone for circumstances related and attributable to CNS performance. 3 – All completion criteria are pursuant to DOE O 413.3B and assume high quality deliverables, with no deficiencies (major findings or findings: attributable to significant scope, cost, schedule or safety impacts) that would prevent the project team from executing baseline.				

Schedule of Values – Fee Liquidation Schedule ¹						
When Paid	Scope	Cost Objective			Schedule Objective	
		Provisional	Earned	Unliquidated	Provisional	Earned
On Completion	Start Excavation	\$129,406.00	-	\$55,460.00	\$194,109.00	-
	WBS: 1.07.02.09.45.60.80.10.10					
On Completion	Retaining Wall Complete	\$86,271.00	-	\$36,973.00	\$129,406.00	\$105,165.00
	WBS: 1.07.02.09.45.60.80.10.50					
On Completion	West End Feeder Upgrade Complete	\$77,644.00	-	\$33,276.00	\$230,343.00	-
	WBS: 1.07.02.09.45.60.80.40.82					
On Completion	Initial Mud Mat Placement	\$155,287.00	-	\$66,552.00	\$304,104.00	-
	WBS: 1.07.02.09.45.60.80.20.10					
On Completion	Excavation Complete	\$263,071.00	-	\$112,745.00	\$427,371.00	-
	WBS: 1.07.02.09.45.60.80.10.10					
On Completion	MEB Slab Rebar on Site and Staged in Laydown Area or in Rubb-Tents	\$4,314.00	-	\$1,849.00	\$12,941.00	\$10,517.00
	WBS: 1.07.02.09.45.60.80.30.50					
On Completion	Tower Cranes Pass Factory Acceptance Test	\$155,287.00	-	\$66,552.00	\$64,703.00	-
	WBS: 1.07.02.09.45.60.80.40.70					
On Completion	Lift 6 Concrete Placement Complete	\$273,140.00	-	\$117,060.00	\$472,800.00	\$97,253.00
	WBS: 1.07.02.09.45.60.80.20.20					
On Completion	Lift 9 Concrete Placement Complete	\$273,140.00	-	\$117,060.00	\$472,800.00	\$97,253.00
	WBS: 1.07.02.09.45.60.80.20.20					
On Completion	All Concrete Select Fill Lifts and Aggregate Backfill Placed Complete	\$326,563.00	-	\$139,956.00	\$273,690.00	\$232,556.00
	WBS: 1.07.02.09.45.60.80.20.20					
On Completion	All Tower Cranes Operational	\$152,048.00	-	\$65,163.00	\$191,583.00	\$152,981.00
	WBS: 1.07.02.09.45.60.80.40.70					

Schedule of Values – Fee Liquidation Schedule ¹ (continued)						
When Paid	Scope	Cost Objective			Schedule Objective	
		Provisional	Earned	Unliquidated	Provisional	Earned
On Completion	RS Firewater Supply Line Installation Complete	\$3,517.00	-	\$1,507.00	-	\$5,024.00
On Completion	All CD-3A Scope Completed/Accepted ^{3,4}	\$45,524.00	-	\$19,509.00	-	\$2,078,125.00
	WBS: 1.07.02.09.45.60.80.60.80					
Journal Correction	Procurement Pool Removal	-	-	(\$42,064.00)	(\$37,040.00)	(\$42,064.00)
TBD	Final Fee Determination ⁵	\$1,945,212.00	UPF CD-4	\$791,598.00	\$2,736,810.00	\$2,736,810.00
NOTES: 1 – Schedule Milestones are tied to definitions of complete, including any logical ties to WBS structure and standard closure evidence. 2 – All completion criteria are pursuant to DOE O 413.3B and assume high quality deliverables, with no deficiencies (major findings or findings: attributable to significant scope, cost, schedule or safety impacts) that would prevent the project team from executing baseline. 3 – NNSA will make an interim Fee Determination for unliquidating the remaining cost objective fee when all CD-3A scope is completed and accepted. 4 – The target cost contains an allowance event trigger for additional fixed unit rate quantities associated with excavation and backfill beyond the design volumes. As a result, the final contract price for this Annex, inclusive of fee, will be validated and adjusted by NNSA to reflect any additional required volumes and/or impacts prior to the final fee determination. However, CNS shall have the burden of proof for demonstrating and providing the basis for any adjustments. See the Allowances section for the process for triggering fixed unit rate adjustments. 5 – NNSA will make a Final Fee Determination for cost objectives after NNSA approval of UPF CD-4 and acceptance of UPF closeout report.						

Allowances – Fixed Unit Rate Adjustments ¹

ID	Description/Validation	Unit	Rate
1	Mass Excavation Soils removed down to the 50 Blow Count Material as defined in C2E801768A514, <i>Building Excavation Plan</i> and C2E801768A290, <i>Building Connector Excavation Plan</i> . Inclusive of additional excavation for layback. Verified via survey data and as-builts.	yd ³	\$13.69
2	Placement of Mud Mat, includes Mud Mat Concrete Material Placement of Mud Mat Material defined by CS-ES-801768-033012-A002, <i>Engineering Specification for Mass Fill and Mud Mat Concrete Work</i> and meeting requirements of ACI 318. Verified via survey data and as-built drawings.	yd ³	\$361.62
3	Furnish and Placement of Engineered Fill Furnish and placement of backfill material defined by CS-EC-801768-312000-A010, <i>Engineering Specification for Earthwork</i> and meeting requirements of ASTM D1557 and ASTM D6938. Verified via survey data and as-built drawings.	yd ³	\$71.40
4	Placement of Mass Fill, includes Mass Fill Concrete Material Placement of Mass Fill Defined by CS-ES-801768-033012-A002, <i>Engineering Specification for Mass Fill and Mud Mat Concrete Work</i> , and meeting requirements of ACI 318 and ACI 207.1R. Verified via survey data and as-built drawings.	yd ³	\$244.29
5	50 Blow Count Testing Verified from Standard Penetration Test reports performed in accordance with CS-EC-801768-312000-A010, <i>Engineering Specification for Earthwork</i> and ASTM D1586.	each	\$1,647.58
6	CNS Oversight ² Weekly Status Reports and Labor Reports. Includes regular and overtime hours.	day	\$62,264.41

NOTES:

1 – The fixed unit rate allowance will be used by NNSA for validating and calculating any potential adjustment to the target cost and target fee in the event that any additional allowance quantities are required. The intent of the allowance is to reasonably compensate CNS for any required excavation and backfill efforts beyond the design volumes.

2 – The daily unit rate for CNS Oversight “Hotel Load” will be used by NNSA for validating and calculating any potential adjustment to the target cost and target fee in the event that any additional oversight allowance is required. The intent of the daily unit rate allowance is to reasonably compensate CNS for any realized oversight impacts, as a result of additional/required excavation and backfill oversight efforts beyond the design volumes. It is not the intent of the daily unit allowance to be applied for the entire duration or offset other performance issues.

Allowance Requirements – Fixed Unit Rate Adjustments

In the event the Project realizes a point in which the data from the subcontractor(s) identifies that excavation beyond the design volumes will be required, i.e., the event trigger, CNS shall immediately notify the Contracting Officer (CO) via formal written notice.

Initial Event Trigger: If the initial event trigger is realized, CNS shall process a level 2 Baseline Change Proposal (BCP) for \$3M (approximately 50% of the budget retained in contingency for the potential growth in excavation, mudmat, select fill, and backfill quantities) within 5 working days of realizing the event trigger in order to not impact the ongoing SP/LL CD-3A scope. The initial BCP will not be based on as-built drawings, final survey data, or change requests from subcontractors. NNSA will disposition the BCP within 5 working days of receipt. Approval of this BCP does not constitute a change in target cost or target fee.

In the event the Project realizes a second point in which the data from the subcontractor(s) identifies that excavation beyond the initial \$3M allowance will be required, CNS shall immediately notify the CO via formal written notice.

Second Event Trigger: If the second event trigger is realized, CNS shall process a level 2 Baseline Change Proposal (BCP) for \$3M (approximately 100% of the remaining budget retained in contingency for the potential growth in excavation, mudmat, select fill, and backfill quantities) within 5 working days of realizing the event trigger in order to not impact the ongoing SP/LL CD-3A scope. The second BCP will not be based on as-built drawings, final survey data, or change requests from subcontractors. NNSA will disposition the BCP within 5 working days of receipt. Approval of this BCP does not constitute a change in target cost or target fee.

Completion Requirements:

Within the original baseline schedule: Upon completion of all Site Preparation Work as defined Work Breakdown Structure (WBS) section, CNS shall submit standard cloure evidence the Federal Project Director (FPD) and CO to determine the final quantity adjustments for the excavation, mudmat, select fill and backfill scopes of work. The FPD will validate the information submitted within 30 calendar days of receipt. Pursuant to the annex change procedures, the CO will apply the verified values against the established fixed unit rates under this allowance in order to adjust the target cost and target fee.

Outside the original baseline schedule: Upon completion of all Site Preparation Work as defined in the WBS section, CNS shall submit a documented basis and analysis of the total schedule impact associated with the allowance quantities that that exceeded the design volumes within 30 calendar days to the FPD and CO. The FPD will evaluate the information submitted and make a recommendation to the CO within 30 calendar days of receipt. Pursuant to the annex change procedures, the CO will make a final determination regarding any additional overhead support required using the established fixed unit rates under this allowance in order to adjust the target cost and target fee.

CNS has the burden of proof in demonstrating final quantities and schedule impacts. Thus, CNS shall provide any change order requests received from the excavation and mudmat/select fill/backfill subcontractors in support of the requested volumes and overhead support changes to target cost and target fee.

CNS shall true up the Contract Budget Base (Performance Measurement Baseline and Management Reserve) to reflect the final adjustments, and return any unused budget allowance to Federal Project Director contingency.

Work Break Down Structure (WBS)									
WBS Level									Title
1	2	3	4	5	6	7	8	9	
1	07	02	09	45	60	80			Site Preparation & Long Lead Procurement
Description of Scope									
This includes the excavation and select fill and retaining wall required to start nuclear construction. This scope also includes the procurement of long lead items such as the two tower cranes and rebar for the MEB slab foundation, which will allow UPF to meet its obligation to meet the CD-4 project date of September 2025. This WBS Level is further defined in the levels below.									
Standard Closure Evidence Statement									
The following statement applies to all lower level WBS elements: Installation, completion, inspection, acceptance, and turnover of work scope per the design and subproject terms/conditions. Inspections shall be performed and documented in accordance with Y15-95-912, <i>UPF Completion and Turnover</i> per procedure. Turnover shall be to the UPF Project and will include all relevant supporting documentation (e.g. material certificates of conformance, receipt inspection, test reports, as built drawings, and engineering determinations/verifications). All project documentation shall be captured in the UPF Document Management Center and maintained as a project record.									

1	07	02	09	45	60	80	10		Site Prep Excavation
Description of Scope									
This Control Account is for CNS scope per the As-Approved CD package for the Site Preparation & Long Lead Procurement CD-3A including excavation for the mud mat and select fill placement, installation of storm drains and sewer line, constructing laydown area, mobilization of contractors and supporting distributables, construction of a retaining wall adjacent to PIDAS, jack and bore, maintenance of west borrow and wet spoil areas, and final as-builts required to close out construction scope in this control account (This WBS Level is further defined in the levels below.)									

1	07	02	09	45	60	80	10	10	Excavation for mud mat and select fill placement
Description of Scope									
Mass Excavation of Building Foundation per engineered boundaries. Confirm presence of competent shale/bedrock. Continue excavation of UPF building foundation from elevation ~ 2 ft. above to the competent material. Fixed unit rate pricing will be used if additional excavation is									

required. Coordination with Select Fill Subcontractor for placement of mud mat. • Hauling of excavated material to West Borrow and Wet Spoil areas. • Erosion and sediment control and water management. • Closure of Sediment Basin 5. • De-watering of excavated area. • Brush and tree removal as required to facilitate rough grading activities. Interim grading of the construction site, including over excavation of unsuitable material, as required. Installation of rip rap. • Haul Road maintenance during period of performance. • Demolition of abandoned 18-in raw water line on the east side of the UPF building site, including associated valve pits, select storm drains in former Bear Creek Road (BCR), and adjacent parking lots. • Demolition of civil features, underground utilities and structures.		
Method of Accomplishment	Status of Work Scope	Definition of Complete
Fixed Priced Subcontract	Work Planned	Completion of scope supported by the evidence cited in the standard closure evidence statement.

1	07	02	09	45	60	80	10	20	Site Prep Storm Drains and Sewer Install
Description of Scope									
Installation of new storm water and site sanitary sewer systems as required for site preparation. Scope includes storm drain piping, catch basins and junction boxes, security barriers, casing pipe, precast headwalls/end walls, outlet protection, sanitary sewer line, backfill and compaction, etc.									
Method of Accomplishment	Status of Work Scope	Definition of Complete							
Fixed Priced Subcontract	Work Planned	Completion of scope supported by the evidence cited in the standard closure evidence statement.							

1	07	02	09	45	60	80	10	30	Site Prep Lay Down Area
Description of Scope									
Placing fill and grading for one laydown area (~8 acres), and correcting drainage issues. Installation of laydown area infrastructure items									

including site clearing, culverts, mowing, straw wattles, geotextile fabric, and stone and mineral aggregate base material.									
Method of Accomplishment	Status of Work Scope	Definition of Complete							
Fixed Priced Subcontract	Work Planned	Completion of scope supported by the evidence cited in the standard closure evidence statement. Note: Objective evidence shall also be provided that lay down areas were installed consistent with the MOU/MOA between 1) CNS and UCOR and 2) UPO/NPO/OREM.							

1	07	02	09	45	60	80	10	40	Site Prep Excavation Mobilization, Demobilization, and Trailers
Description of Scope									
• Mobilization of Subcontractor including delivery of construction equipment and materials to jobsite, completion of required training, and pre-mobilization documentation. • Installation and maintenance of temporary Subcontractor trailers. • Demobilization of Subcontractor including site remediation, removal and cleanup of equipment and temp facilities, removal of silt fence and erosion controls, completion of all subcontractor's punch list items.									
Method of Accomplishment	Status of Work Scope	Definition of Complete							
Fixed Priced Subcontract	Work Planned	Completion of scope supported by the evidence cited in the standard closure evidence statement.							

1	07	02	09	45	60	80	10	50	Site Prep Retaining Wall
Description of Scope									
Installation of retaining wall including formwork, rebar, embeds, and placement per design and specification.									
Method of Accomplishment	Status of Work Scope	Definition of Complete							
Fixed Priced Subcontract	Work Planned	Completion of scope supported by the evidence cited in the standard closure evidence statement.							

1	07	02	09	45	60	80	10	60	Site Prep Jack and Bore
Description of Scope									
• Jack-and-bore installation of utility casing north-south for later utility installation to UPF • Scope includes shoring (if required), level boring machine, and installation of casing pipes.									
Method of Accomplishment		Status of Work Scope		Definition of Complete					
Fixed Priced Subcontract		Work Planned		Completion of scope supported by the evidence cited in the standard closure evidence statement.					

1	07	02	09	45	60	80	10	70	Site Prep Borrow and Spoil Area Maintenance
Description of Scope									
• West Borrow area and wet spoil area maintenance during period of performance of excavation performance. • Place soil and engineered features including erosion and sediment controls, and spread and compaction of soil fill.									
Method of Accomplishment		Status of Work Scope		Definition of Complete					
Fixed Priced Subcontract		Work Planned		Completion of scope supported by the evidence cited in the standard closure evidence statement.					

1	07	02	09	45	60	80	10	80	Site Prep Mass Excavation Documentation
Description of Scope									
Generating as-built submittals of completed work including survey data for final subgrade, casing pipe installation, retaining wall placement plans and concrete related submittals.									
Method of Accomplishment		Status of Work Scope		Definition of Complete					
Fixed Priced Subcontract		Work Planned		Completion of scope supported by the evidence cited in the standard closure evidence statement.					

1	07	02	09	45	60	80	20		Site Prep Select Fill
Description of Scope									
This Control Account is for CNS scope per the As-Approved CD package for the Site Preparation & Long Lead Procurement CD-3A including placement of the mud mat and select fill, mobilization of contractors and supporting distributables, and final as-builts required to close out construction scope in this control account (This WBS Level is further defined in the levels below.)									

1	07	02	09	45	60	80	20	10	Site Prep Mud Mat
Description of Scope									
Once competent shale/bedrock is verified in main excavation, place mud mat. Coordinate with Excavation Subcontractor for placement of mud mat.									
Method of Accomplishment		Status of Work Scope		Definition of Complete					
Fixed Priced Subcontract		Work Planned		Completion of scope supported by the evidence cited in the standard closure evidence statement.					

1	07	02	09	45	60	80	20	20	Site Prep Select Fill
Description of Scope									
• Following mud mat placement, install select concrete fill and mineral aggregate base backfill; includes the areas supporting the Main Process Building, Mechanical Electrical Building, Salvage and Accountability Building, diesel generator, fire tank and pump building, and partial HEUMF Connector per design. • Install thermocouples, monitoring and data for the lifts identified in the design. • Install tower crane pedestals, including forming and pouring pedestals, and installing crane embedment and grounding. • Dewatering of excavated area for duration of the select fill scope of work.									
Method of Accomplishment		Status of Work Scope		Definition of Complete					
Fixed Priced Subcontract		Work Planned		Completion of scope supported by the evidence cited in the standard closure evidence statement. Note: Closure evidence file shall include the following: Select Fill and Mud Mat: Objective evidence that competent material determination/verification by a geotechnical engineer and CNS certification that the mud mat was placed in accordance with plans as					

		specifications. Mineral Aggregate Backfill: QC documentation verifying the aggregate backfill was installed per design (RS attribute) is complete.

1	07	02	09	45	60	80	20	30	Site Prep Select Fill Mobilization, Demobilization, and Trailers
Description of Scope									
• Mobilization of Subcontractor including delivery of construction equipment and materials to jobsite, completion of required training, and pre- mobilization documentation. • Installation and maintenance of temporary Subcontractor trailers. • Demobilization of Subcontractor including site remediation, removal and cleanup of equipment and temp facilities, removal of silt fence and erosion controls, completion of all subcontractor's punch list items.									
Method of Accomplishment		Status of Work Scope		Definition of Complete					
Fixed Priced Subcontract		Work Planned		Completion of scope supported by the evidence cited in the standard closure evidence statement.					

1	07	02	09	45	60	80	20	40	Site Prep Select Fill Documentation
Description of Scope									
Generating red-line submittals of completed work including mud mat test and inspections, fill test and inspections, survey data for concrete elevation of each lift.									
Method of Accomplishment		Status of Work Scope		Definition of Complete					
Fixed Priced Subcontract		Work Planned		Completion of scope supported by the evidence cited in the standard closure evidence statement.					

1	07	02	09	45	60	80	30		Site Prep Permanent Plant Subcontracts
Description of Scope									
This Control Account is for CNS scope per the As-Approved CD package for the Site Preparation & Long Lead Procurement CD-3A including delivery of concrete for the mud mat and select fill, 50N standard penetration testing, MEB rebar slab purchase, and vendor engineering of the personnel and freight elevators for the MEB, SAB, and MPB (This WBS Level is further defined in the levels below.)									

1	07	02	09	45	60	80	30	30	Site Prep Select Fill Concrete & Delivery Subcontract
Description of Scope									
Concrete-related bulk procurements include concrete for the mud mat and select fill, tower crane pedestals, and any miscellaneous items; Includes delivery to the site of excavation from the UPF Batch plant. Additional equipment for concrete placement is not included.									
Method of Accomplishment		Status of Work Scope		Definition of Complete					
Fixed Unit Priced Subcontract		Work Planned		Completion of scope supported by the evidence cited in the standard closure evidence statement.					

1	07	02	09	45	60	80	30	40	Site Prep 50N Standard Penetration Testing Subcontractor
Description of Scope									
50 blow count standard penetration testing to confirm competent shale/bedrock.									
Method of Accomplishment		Status of Work Scope		Definition of Complete					
Fixed Unit Priced Subcontract		Work Planned		Completion of scope supported by the evidence cited in the standard closure evidence statement. Note: Closure evidence file shall include the following: Final acceptance of the last 50N standard penetration test. Acceptance by the Site Prep geologist (RS attribute). CNS verification of above documentation.					

1	07	02	09	45	60	80	30	50	MEB Slab Rebar Purchase
Description of Scope									
Long-lead procurement of rebar in preparation for construction of the MEB slab.									
Method of Accomplishment		Status of Work Scope		Definition of Complete					
Fixed Unit Priced Procurement		Work Planned		Completion of scope supported by the evidence cited in the standard closure evidence statement.					

1	07	02	09	45	60	80	30	60	Site Prep Personnel and Freight Elevator Vendor Engineering
Description of Scope									
Work Package includes the post award vendor design for personnel and freight elevators.									
Method of Accomplishment		Status of Work Scope		Definition of Complete					
Fixed Priced Subcontract		Work Planned		Completion of scope supported by the evidence cited in the standard closure evidence statement.					

1	07	02	09	45	60	80	40		Site Preparation Support & Distributables
Description of Scope									
This Control Account is for CNS scope per the As-Approved CD package for the Site Preparation & Long Lead Procurement CD-3A including non-manual support, non-manual distributables to support the team, and miscellaneous contracts to support completion of the CD-3A scope (This WBS Level is further defined in the levels below.)									

1	07	02	09	45	60	80	40	05	Site Prep Misc Construction Services Labor
Description of Scope									
This scope consists of labor activities that support construction but which are not associated with any one specific construction scope. Support is for CNS scope only and does not apply to Subcontractors:									
• Material handling at the lay-down area									

• Maintenance and inspection of tools • Fire extinguisher inspections • Chemical control and inventory • Distribution of water/ice, materials, tools • Site maintenance, including snow and ice removal and maintenance of project grounds • Maintenance of roads and walkways (Excluding Haul Road during Excavation Subcontractor work) • Job briefings, monthly safety meetings • Electrical and mechanical service and support for temporary construction and field activities • Install/maintain/remove other minor temporary construction facilities (e.g., short-term shops; i.e., sealands) • Installation of Temp Power during site prep (Excluding Construction Power) • Maintenance of West Borrow area, Wet Soil Spoil area, and Haul Road after Excavation Subcontractor completion (as required) • Maintenance of Laydown area (as required).		
Method of Accomplishment	Status of Work Scope	Definition of Complete
CNS Craft	Work Planned	Completion of scope supported by the evidence cited in the standard closure evidence statement.

1	07	02	09	45	60	80	40	06	Site Prep Wet Spoils Expansion
Description of Scope									
Prepare the Wet Spoils area to support the excavation subcontractor, as per PROC-3.17-F003 and Addendums 01-03.									
Method of Accomplishment	Status of Work Scope	Definition of Complete							
BNI managed CNS direct-hire staff	Work Planned	Completion of scope supported by the evidence cited in the standard closure evidence statement.							

1	07	02	09	45	60	80	40	10	Site Prep Title III Engineering
Description of Scope									
Title III scope consists of maintenance of engineering documents and the review and approval of contract submittals. Activities include: • Supporting pre-bid meetings. • Supporting post-award construction meetings. • Providing a Design Authority (DA) representative, as needed, to support construction. • Responding as needed to Field Change Requests (FCRs), Field Change Notices (FM&O), and Requests for Information (RFIs). • Incorporating as-built information and development of other applicable Title III documents. • Personnel and Freight Elevator vendor submittal review and coding of submittals.									
Method of Accomplishment		Status of Work Scope		Definition of Complete					
CNS, BOA engineers		Work Planned		Physical work is complete and technical issues with vendors are resolved, and all as-built information is accepted from vendors and as-builts documentation is complete and placed into Infoworks.					

1	07	02	09	45	60	80	40	20	Site Prep BNI Field Non-manual services
Description of Scope									
Construction management in the field for site preparation will be performed by UPF Construction including: • Superintendents • Field Engineers • Subcontract Technical Representatives This WBS element also includes support provided to Construction by UPF functional organization staff in the field, including: • Field Procurement • Quality Control (QC) • Geotech support for Subcontractor activities (e.g. 50 blow count testing) • Project Controls • ES&H • Administrative support and a field document management center Includes support to internal and external reviews of construction progress and compliance with requirements.									

Method of Accomplishment	Status of Work Scope	Definition of Complete
Non-manual services	Work Planned	All physical work identified in the scope of the CD-3A package is complete and CNS has accepted installation and construction of defined scope. Support for subproject closeout report is complete.

1	07	02	09	45	60	80	40	25	Site Prep BNI Field Non-Manual Materials
Description of Scope									
Office supplies and services (copiers, computers, etc.) , not included in CSB office subcontract, required to support the Site Preparation and Long Lead CD-3A field non-manual team.									
Method of Accomplishment			Status of Work Scope		Definition of Complete				
Non-manual services			Work Planned		All physical work identified in the scope of the CD-3A package is complete and CNS has accepted installation and construction of defined scope. Support for subproject closeout report is complete.				

1	07	02	09	45	60	80	40	30	Site Prep Project Integration Support Services
Description of Scope									
Office support by UPF project functional organizations providing project integration support for site preparation and long-lead procurements CD-3A scope. The departments include (but not limited to): • Project Management • Project Controls • Procurement • Engineering • Environment, Safety and Health (ES&H) • Startup Testing Includes support to internal and external reviews of construction progress and compliance with requirements.									
Method of Accomplishment			Status of Work Scope		Definition of Complete				
Non-manual services			Work Planned		All physical work identified in the scope of the CD-3A package is complete and CNS has accepted installation and construction of defined scope. Support for subproject closeout report is complete.				

1	07	02	09	45	60	80	40	40		Site Prep CNS Radcon Support
Description of Scope										
CNS Y-12 personnel that perform Radiological control (RADCON) for support of the Site Preparation and Long Lead CD-3A scope only.										
Method of Accomplishment		Status of Work Scope		Definition of Complete						
Non-manual services		Work Planned		The check and verification of the final truck and material that leaves the site is complete.						

1	07	02	09	45	60	80	40	41		Site Prep CNS Support Services Security FY16-FY18
Description of Scope										
CNS Y-12 personnel that perform Security responsibilities, including security support during Jack and Bore activities and retaining wall activities near PIDAS, installation of razor wire on the retaining wall, portal support required for the Site Preparation and Long Lead Procurement CD-3A scope.										
Method of Accomplishment		Status of Work Scope		Definition of Complete						
Non-manual services		Work Planned		Completion of the razor wire installation, completion of the retaining wall and jack and bore activities, and final completion of the CD-3A scope for the portal security efforts. Objective evidence of Y-12 pro-force acceptance of all security features.						

1	07	02	09	45	60	80	40	42		Site Prep CNS Non Manual Support
Description of Scope										
CNS Y-12 personnel that perform • DAR reviews and configuration control for any Y-12 affected systems and support of review of revised drawings associated with the CD-3A scope. • Maintenance Non-Manual planning • Mission Engineering (Y-12 support) • Production support (if required) when tying into plant systems.										

Method of Accomplishment	Status of Work Scope	Definition of Complete
Non-manual services	Work Planned	Final revised drawings are complete (if required), and final work of tying into the plant's electrical and communication and potable water lines are complete and project closeout report is complete.

1	07	02	09	45	60	80	40	43		Site Prep CNS Manual Support
Description of Scope										
• Y-12 FI&S support for work packages • Maintenance, Labor, and other manual support • Connection of utilities to the Temporary Construction Trailers • Refuse/recycling, waste management										
Method of Accomplishment	Status of Work Scope	Definition of Complete								
Non-manual services	Work Planned	Completion of scope supported by the evidence cited in the standard closure evidence statement.								

1	07	02	09	45	60	80	40	44		Site Prep CNS Safety Support
Description of Scope										
CNS Y-12 personnel that perform safety and industrial health support outside of the daily RADCON and construction ES&H activities during construction.										
Method of Accomplishment	Status of Work Scope	Definition of Complete								
Non-manual services	Work Planned	All physical work identified in the scope of the CD-3A package is complete and CNS has accepted installation and construction of defined scope. Support for subproject closeout report is complete.								

1	07	02	09	45	60	80	40	50	Site Prep Install Temporary Trailers
Description of Scope									
Temporary construction trailers will be provided by lease and installed by the supplier in proximity to the construction site to provide construction housing until the CSB can be occupied. This includes the build out of cubicles and hard walled offices.									
Method of Accomplishment		Status of Work Scope		Definition of Complete					
Fixed priced subcontractor		Work Planned		Completion of scope supported by the evidence cited in the standard closure evidence statement. Note: Trailers approved for occupancy.					

1	07	02	09	45	60	80	40	60	Site Prep Maintain Trailers
Description of Scope									
Maintenance of temporary construction facilities including temporary building/facility janitor services, and maintenance of rest facilities.									
Method of Accomplishment		Status of Work Scope		Definition of Complete					
CNS direct hire craft		Work Planned		All physical work identified in the scope of the CD-3A package is complete and CNS has accepted installation and construction of defined scope. Support for subproject closeout report is complete.					

1	07	02	09	45	60	80	40	61	Site Prep CSB Move In Labor
Description of Scope									
Labor to complete CSB move-in; includes moving of personnel boxes, computers, desks, etc. that are not part of the CSB Outfitting Subcontractor									
Method of Accomplishment		Status of Work Scope		Definition of Complete					
CNS Y-12 and Subcontract Support		Work Planned		Completion of scope supported by the evidence cited in the standard closure evidence statement. Note: Complete moving of items into the CSB (that are not related to materials being purchased and set-up by the CSB outfitting subcontractor).					

1	07	02	09	45	60	80	40	62	Site Prep CSB Outfitting Subcontract
Description of Scope									
An office subcontract will supply and install required amenities for the Construction Support Building erected under the SIS Subproject (WBS 1.07.02.09.45.25) to enable Construction managers, staff, and crafts to occupy the building during construction of UPF; includes partitions/cubicles, office equipment/furniture, installing data and phone wiring, installing data infrastructure, installing wireless network, craft lockers, etc.									
Method of Accomplishment		Status of Work Scope		Definition of Complete					
Fixed Unit Rate Subcontractor		Work Planned		Completion of scope supported by the evidence cited in the standard closure evidence statement. Note: Amenities installed in the CSB in accordance with the office supply subcontract and verified by procurement staff. Objective evidence of CNS acceptance.					

1	07	02	09	45	60	80	40	70	Site Prep Tower Crane Procurement, Installation, & Maintenance
Description of Scope									
Procurement of two tower cranes that will be used in building construction, including erection, certification, and maintenance.									
Method of Accomplishment		Status of Work Scope		Definition of Complete					
Fixed Priced / Fixed Unit Price Subcontract		Work Planned		Completion of scope supported by the evidence cited in the standard closure evidence statement. Note: Tower crane is erected and passes certification for use. Maintenance is performed through the period of performance of the CD-3A scope (maintenance might not be required if MEB is ready to start prior to first planned maintenance).					

1	07	02	09	45	60	80	40	80	Site Prep Construction Power Labor
Description of Scope									
Installation of construction power across the construction site, as required to prepare site for post Site Prep construction. Scope excludes construction power for Site Prep activities which will be covered under Site Prep Misc Construction Services Labor work package.									
Method of Accomplishment		Status of Work Scope		Definition of Complete					

CNS direct hire craft	Work Planned	Completion of scope supported by the evidence cited in the standard closure evidence statement.

1	07	02	09	45	60	80	40	81	Site Prep Construction Power Materials
Description of Scope									
Materials purchase for construction power for the Site Preparation CD-3A scope of work. Scope includes transformers, boxes, panels, etc. for construction.									
Method of Accomplishment		Status of Work Scope		Definition of Complete					
Fixed Price Purchase Order		Work Planned		Completion of scope supported by the evidence cited in the standard closure evidence statement.					

1	07	02	09	45	60	80	40	82	Site Prep West End Feeder Upgrade S/C
Description of Scope									
The West End Feeder project will provide power distribution in support of UPF construction activities including the Concrete Batch Plant, Substation and planned Construction warehouse. This temporary line will begin at Pole 5269 of Line 1371 (The New Bear Creek Road power lines) and continue west along the Haul Road to the new Substation, the Concrete Batch Plant, and to the planned Rubb Tents/ New Warehouse. Four unfused cut-outs for maintenance and potential distribution changes have been placed strategically along the line at the tie-in points: substation, batch plant, and warehouse. This project consists of approximately 9,000 linear feet down the right of way with 34 Class 1 wooden poles using ACSR (Merlin) conductor. Power distribution for the Concrete Batch Plant consists of a cut-out switch on the North side of the Haul Road for isolation and an additional span across the road to the area in which the Batch will be constructed. This scope does not include any EPC past the cut-out switches at the Batch Plant (e.g. sizing the fuses, fused cut-out, conduit installation, etc.). This scope has already been baselined in the Batch Plant Subcontract. Final tie-in for the construction warehouse, once approved, will also be completed by the warehouse contractor at a later date. Clearing and grubbing the right-of-way is included (~2 acres). Survey for permanent plant overhead line right of way, from Substation to Pole 5269 of Line 1371, is included in this West End Feeder scope.									
Method of Accomplishment		Status of Work Scope		Definition of Complete					
Fixed Price Subcontract		Work Planned		Completion of scope supported by the evidence cited in the standard closure evidence statement.					

1	07	02	09	45	60	80	40	85	Site Prep BNI Field Procurements & Materials
Description of Scope									
Purchase of: • Materials needed for installation and maintenance of utilities to the Temporary Construction Trailers/facilities & Subcontractor Trailers • Materials for site maintenance (silt fence, gravel, ice melt, straw, seed, etc.) • Materials for maintenance of roads and walkways (gravel, concrete, fencing, geotextile fabric, etc.) • Sealands for short-term shops • Miscellaneous/supplemental purchases during scope execution									
Method of Accomplishment		Status of Work Scope		Definition of Complete					
Fixed Price Purchase Orders		Work Planned		All physical work identified in the scope of the CD-3A package is complete and CNS has accepted installation and construction of defined scope. Support for subproject closeout report is complete.					

1	07	02	09	45	60	80	40	90	Site Prep Construction Equipment, Tools & Supplies
Description of Scope									
Purchase of: • Hand tools: shovels, hammers, saws, drills, etc. • Safety supplies (PPE) and consumables: hard hats, gloves, glasses, etc. • Field Communications including two-way radios, wireless utilities • Traffic Control: barrels, signs, etc. • Construction equipment purchase and rental, including General Services Administration (GSA) vehicle agreements									
Method of Accomplishment		Status of Work Scope		Definition of Complete					
Fixed Price Purchase Orders and GSA agreements		Work Planned		Completion of scope supported by the evidence cited in the standard closure evidence statement. Note: Materials and equipment received and accepted by CNS.					

1	07	02	09	45	60	80	40	95	Site Prep Misc Construction Subcontracts
Description of Scope									
• Surveys to confirm mass concrete fill boundaries through mass excavation and final subgrade elevations. • Independent subject matter expert (SME) testing of concrete, soil compaction, and penetration testing • Hoisting and rigging activities. • Trucking and hauling of soil, rock, and debris to approved disposal areas.									
Method of Accomplishment		Status of Work Scope		Definition of Complete					
Fixed Unit Price Subcontractors		Work Planned		Completion of scope supported by the evidence cited in the standard closure evidence statement.					

1	07	02	09	45	60	80	40	96	RS Firewater Supply Line Non-Labor
Description of Scope									
Includes procurement of the Risk Significant (RS) materials required for the early installation of the underground fire protection distribution lines supporting the Salvage & Accountability Building (SAB). Materials to be procured under this WBS include the following: 10" RS HDPE, supporting HDPE connectors (i.e. 90 degree elbow, Flange Adapter, Backup Flange, Bolts), and RS Air/Vacuum release valves (ARV) and surrounding ARV Vaults.									
Method of Accomplishment		Status of Work Scope		Definition of Complete					
Material Purchase Orders		Work Planned		Completion of scope supported by the evidence cited in the standard closure evidence statement.					

1	07	02	09	45	60	80	40	97	RS Firewater Supply line Labor
Description of Scope									
Includes labor supporting coordination, oversight, and installation of the Risk Significant (RS) materials required for the early installation of the underground fire protection distribution lines supporting the Salvage & Accountability Building (SAB). Scope includes the craft labor supporting installation of the distribution lines, supporting Field Non-Manual labor, and Engineering labor required for material requisition submittal reviews.									
Method of Accomplishment		Status of Work Scope		Definition of Complete					
Bechtel direct staff CNS direct staff		Work Planned		Completion of scope supported by the evidence cited in the standard closure evidence statement.					

Reporting Requirements	
The Federal Project Director and Contracting Officer, with inputs from other Government personnel, will verify the on time submission of project reports that meet DOE/NNSA requirements contained in the Data Item Descriptions (DIDs). The Government will perform this verification by comparing the DOE/NNSA requirements contained in the following DIDs to the deliverables provided by the Contractor:	
Data Item Description	Title
DID-PM-0026/T	Monthly Project Report
DID-PRG-0022/T	Integrated Program Management Report (IPMR)
DID-PRG-0021	Monthly Status PARS II Report
DID-PM-0001/T	Document of Trend Board/Change Control Board Meetings
DID-PM-0027/T	Resource Loaded Schedule (Baseline and Forecast to be provided monthly)
DID-PM-0029/T	Total Project Cost
DID-PM-0036/T	Federal Project Director Quarterly Project Review (to be provided monthly)
DID-PM-0041/T	Project Closeout Report
DID-ENG-0002	As-Built Drawings
DID-ENG-0021	Engineering Drawings
DID-PM-0004	Project Completion Verification
DID-PM-0022	WBS & WBS Dictionary
DID-SAF-0017	Occurrence Report
DID-SAF-0018	Lesson Learned Report
NA	Monthly Labor Charges Report
NA	Weekly Construction Status Report

OT-CST-1006	Weekly Working Construction, Engineering, and Procurement Schedules. Shall be provided as hard copy AND native format.
OT-CST-1005	Daily Construction Status Reports
NA	Construction Work Packages
TBD	Weekly Work Plan (per Y17-95-64-818, Rev. 2)
DID-ENG-0026	Request for Deviation
DID-PM-0001	Change Control Board Log and Minutes
DID-PRG-0022	Contract Performance Report
DID-SAF-0005	Hazards Analysis Report
DID-SAF-0014	Integrated Safety Management Plan
DID-SEC-0003	Security Plan

APPENDIX B

COST PLUS INCENTIVE FEE (CPIF) MODEL/GRAPH

SP/LL CD-3A Incentive Fee - Terms

The Government will use the following CPIF Model terms for SP/LL fee calculation.

P_T = Target Price // Estimated Target Price (\$) if all available fee earned.

F_A = Available Fee // Combined unrealized Target Fee and Schedule Fee (\$).

C_T = Target Cost // Negotiated Target Cost (\$).

F_T = Target Fee // Negotiated Target Fee (\$).

F_S = Schedule Fee // Negotiated Schedule Fee (\$).

C_{UT} = Under Target Cost // Actual Costs (\$) when Maximum Fee realized.

F_{MAX} = Maximum Fee // Maximum Fee (\$) realized for Under Target Cost.

C_{OT} = Over Target Cost // Actual Costs (\$) when Minimum Fee realized.

F_{MIN} = Minimum Fee // Minimum Fee (\$) realized for Over Target Cost.

C_{TAC} = Total Allowable Cost // Actual Cost (\$) the Contractor can claim.

F_{TA} = Target Fee Adjustment // Calculated Fee Adjustment (\$) for Under/Over.

F_{ATF} = Adjusted Target Fee // Calculated Fee Adjustment (\$) applied to Target Fee.

F_{AFF} = Adjusted Final Fee * // Calculated Fee Adjustment (\$) for Schedule.

P_C = Contract Price ** // Calculated Contract Price (\$) after Final Fee applied.

* Final fee determination will be made using Government CPIF Excel model formulas.

** Earned fee rules apply in determining final Contract Price.

Share Ratios: Government Under/Over Target Shares, expressed as the Government percentage share of cost risk over the Contractor percentage share of cost risk.

Under Target Share = S_{GU}/S_{CU} // Government Share (%)/Contractor Share (%).

Over Target Share = S_{GO}/S_{CO} // Government Share (%)/Contractor Share (%).

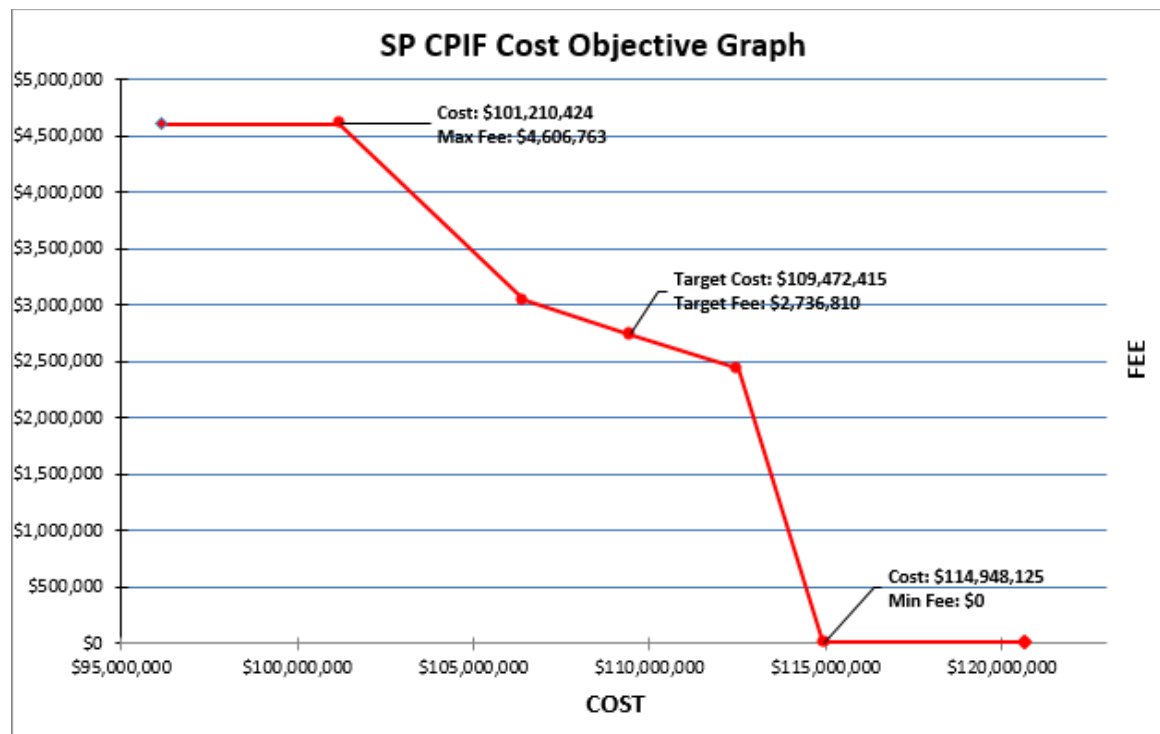


Figure 1: SP CPIF Cost Objective Graph

APPENDIX C

GOVERNMENT OVERSIGHT MODEL

Cost Objective: The Government will oversee Cost Performance by verifying the Contractor's approved baseline data to ensure mission commitments are met with timely, high quality deliverables, in accordance with DOE Order 413.3B and ANSI/EIA-748B, or as defined in Contract. The Government's purview of the Contractor's project management responsibility related to Cost Objective includes, but not limited to:

- Complete authorized scope in accordance with the approved Performance Measurement Baseline; provide timely project reporting.
- Manage a deliverable-based Work Breakdown Structure (WBS); cost control accounts, work packages and planning packages consistent with WBS/scope.
- Use established DOE earned value methods, measure work accomplishment, and assess project performance; perform variance analysis to identify, correct, and report problems; and monthly evaluate Estimates at Completion (EAC).
- Expend funds and resources that optimally provide the maximum benefit to the Government; perform proactive and effective subcontract management oversight of subcontractors to ensure effective cost performance controls.
- Maintain the total cost under configuration control to ensure impacts of design evolution on procurement, construction, and commissioning are managed effectively; ensure retroactive adjustments to the baseline are not allowed.
- Produce cost estimates compliant to the GAO Best Practices for Developing and Managing Capital Costs Guide and DOE G 413.3-21, Cost Estimating Guide; consider life cycle cost when evaluating proposed project changes.
- Demonstrate effective procurement and subcontract management oversight by driving costs down through competition, making best use of tier two subcontracting opportunities, including maximizing use of fixed price subcontracts and small business participation.
- Establish and maintain a project organization that implements a disciplined conduct of business, EPC commercial best practices, contract management, systems, processes, and procedures in accordance with applicable DOE directives and project requirements.
- Execute quality work products with minimal rework, e.g., designs, specifications, plans, procurement, construction, testing, and commissioning; demonstration of implementation of an approved DOE O 414.1D Quality Program.
- Identify, quantify, avoid and mitigate technical, programmatic, schedule, and cost risks.

APPENDIX C - Continued

Schedule Objective: The Government will oversee Schedule Performance by verifying the Contractor's Integrated Master Schedule (IMS) data to ensure mission commitments are met with timely, high quality deliverables, in accordance with Part III-Section J, Appendix, Appendix N, DOE Order 413.3B and ANSI/EIA-748B, or as defined in Contract. The Government's purview of the Contractor's project management responsibility related to Schedule Objective includes, but not limited to:

- Execute scope in accordance with NNSA approved Project Execution Plans.
- Manage an IMS to support project management, implementation and control; include the total scope of baselined work and identify Work Breakdown Structure (WBS) elements for all activities and milestones; identify interdependencies between project activities/milestones to reflect a credible, logical project sequence; activity durations which are reasonable, measureable, and appropriately detailed for effective management; appropriate activity and resource calendars are employed.
- Baseline the IMS and control the content using the project change control board processes; maintain current project status and credible start/finish forecasts for all to-go tasks and milestones; include project and management controls milestones (e.g., critical decisions, major design reviews, and technology, procurement, construction, testing, and commissioning); incorporate labor, material and equipment resources and ensure reasonable/available.
- Manage a credible critical path as determined by the calculated IMS logic network; ensure adequate schedule margin has been included and clearly defined; ensure the number of lags/leads and activity constraints is reasonable. Incorporate subcontracted activity into schedule/critical path to ensure visibility to the Government.
- Compliance with all applicable environmental, safety, and security requirements. No formal notices of violation or similar citations from a Federal, State, or local regulatory agency; excellent safety DART/TRC rates; no safeguards and security incidents.
- Minimize construction down times; delays to construction activities are minimal, and all delays are proactively identified, tracked, analyzed for patterns, evaluated for quick resolution, and reported expeditiously to CO/FPD.
- Design and engineering products, including material and equipment, shall have the necessary technical and constructability (fabrication) quality to accomplish procurement, fabrication and construction expeditiously without major problems or delays (Title II).
- Provide Resident Engineering representation as directed to support Construction and oversee the design's intent and requirements; exceptions are rare to non-existent without problems or delays (Title III).
- Perform pre-award/award/post-award, surveillance/oversight functions to support

and/or accomplish requirements. Proper source/destination inspection and acceptance provisions are Government special interest items to ensure receipt of quality subcontracted products/materials.

- Identify, quantify and mitigate project schedule risks; perform schedule risk assessments to predict the probability of completing on time.

TORICAL

Uranium Processing Facility (UPF)

Site Infrastructure and Services (SIS) Subproject Fee Structure

Annex 3 (Rev 3)



[Redacted Signature]
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Revision Log

Revision	Date	Description	Total Pages	Affected Pages
0	January 25, 2016	Initial issue.	Front matter, i-ii Body, 1-2; Appendix A, B, and C.	All
1	July 11, 2016	Target Cost/Fee adjustment for USACE Support beyond planned completion date.	Front matter, i-ii Body, 1-2; Appendix A, B, and C.	Header/Footer Appendix A and B
2	November 10, 2016	Change to target cost/target fee related to new CNS scope required to complete subcontractor installation of 48" storm water line.	Front matter, i-ii Body, 1-2; Appendix A, 1-16; Appendix B, 1-2; and Appendix C, 1-3	Appendix A-1, A-2, A-4, A-14 Appendix B-2
3	June 1, 2018	Change to target cost/target fee related to Procurement Pool removal.	Front matter, i-ii Body, 1-2; Appendix A, 1-16; Appendix B, 1-2; and Appendix C, 1-3	Appendix A-1, A-2, A-5 Appendix B-2

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1. Introduction

The Uranium Processing Facility (UPF) Site Infrastructure and Services (SIS) Subproject, herein referenced as “SIS,” was authorized by the National Nuclear Security Administration (NNSA) to advance the Site Preparatory activities initiated during the Site Readiness Subproject. The SIS CD-2/3 scope was divided between Consolidated Nuclear Security, LLC (CNS), herein referenced as “Contractor,” and the United States Army Corps of Engineers (USACE), as defined in the SIS Execution Plan, PL-PM-801768-A030, which establishes the formal plan for executing the subproject.

The SIS scope supports the UPF Project by completing key critical-path site preparation construction work so that the Project site will be ready for subsequent nuclear facility construction. The SIS scope is best characterized as standard commercial work, and does not implement new technologies. The SIS scope shall be managed through the use of the Project’s construction management baseline in order to ensure the scope, mission requirements, and schedules are met within the approved Contract Budget Base (CBB), Statement of Work, and Key Performance Parameters (KPPs) that must be achieved by the Critical Decision (CD) 4 date.

The SIS scope shall support the Enriched Uranium Mission (EUM), with timely, cost effective, high quality deliverables.

2. Purpose

The SIS Fee Structure, herein referenced as “SIS Annex” (Annex 3), is a subset of the overarching Contract, Section J, Appendix B-2, “UPF Fee Plan,” that documents the Performance Objectives and Cost Plus Incentive Fee (CPIF) arrangement, in which SIS performance will be evaluated. The purpose of the SIS Annex is to document the target cost and incentive fee structure, and define how NNSA will determine the final amount of Contractor earned fee, thereby establishing a “contract price” for the SIS scope.

3. Approach

The desired performance of the Contractor is to deliver high quality SIS deliverables (technical requirements) and/or integration support, which will ultimately deliver a UPF fully capable of meeting all DOE/NNSA mission performance, quality, safeguards and security, and environmental, safety, and health contractual requirements.

The desired goal is to properly incentivize the Contractor to deliver SIS scope on/or under budget and on/or ahead of schedule, by establishing a reasonable Target Price, including Cost and Schedule Performance Objectives for meeting the SIS scope.

4. Establishing Annex

The SIS Annex shall be approved and incorporated into the Contract by modification at Section J, Appendix B-2, UPF Fee Plan by the Contracting Officer (CO).

The Government will primarily incentivize the Contractor using the following critical performance objectives, unless otherwise documented in the Annex:

- Cost
- Schedule

By employing these incentives, the Government expects to motivate the Contractor to aggressively manage resources as required in order to provide high-quality and timely completion of authorized scope and/or integration/support of all SIS deliverables. Eligibility and the amount of the incentive fee earned shall be dependent on the Contractor meeting or exceeding the established performance objectives. Failure to meet any of the established SIS Performance Objectives, Appendix A, may result in the Contractor's forfeiture of incentive fee for that assigned objective or element.

5. Annex Oversight

The Government Oversight Model, Appendix C, describes the approach NNSA will use for conducting surveillance and oversight of SIS Performance Objectives and Contract deliverables, in order to ensure the Contractor delivers high quality products and services that meet the UPF Project requirements. The CO and Contracting Officer's Representatives (CORs), with input from functional area managers, will measure how the key performance objectives of the Contract are met. The purpose of the oversight model is to communicate Government expectations to the Contractor in order to ensure Contract objectives, i.e., final outcomes, are achieved. The CO/COR may notify the Contractor anytime during performance of the Contract to address cost, schedule, and/or performance concerns needing attention.

6. Change Procedures

The SIS Annex may be updated as necessary during Contract performance. These updates may include, but not limited to, required changes caused by new authorized scope, project phasing, approved change control, and/or establishing/adjusting fee incentives and performance objectives. Any changes shall be codified by a Contract modification within Section J, Appendix B-2, UPF Fee Plan.

All changes, including SIS Baseline Changes, are subject to the thresholds outlined in the UPF Project Execution Plan, PL-PJ-801768-A006, Appendix C, and the SIS Execution Plan, PL-PM-801768-A030, Table 4.5.

Appendix A
SIS PERFORMANCE OBJECTIVES

Fee – Summary	
Target Price (P_T), includes available fee	\$26,284,967.00
Available Fee (F_A), only includes unrealized cost and schedule fee	\$1,052,034.00
Note: NNSA will make a Final Fee Determination after NNSA approval of SIS CD-4 and acceptance of SIS closeout report. Cost and Schedule performance objectives apply to the project requirements being delivered and/or performed under this scope. For the purposes of this negotiated annex, all fee associated to the cost objective is provisional to the end of the subproject (SIS CD-4), subject to the final fee determination and Contract modification.	
Cost Objective Elements – 50%	
Target Cost (C_T)	\$25,232,933.00
Target Fee (F_T)	\$526,017.00
Under Target Cost (C_{UT})	\$24,485,191.00
Under Target Share Ratio (S_{GU}/S_{CU})	50/50
Maximum Fee (F_{MAX})	\$899,888.00
Over Target Cost (C_{OT})	\$25,758,950.00
Over Target Share Ratio (S_{GO}/S_{CO})	0/100
Minimum Fee (F_{MIN})	\$0
Schedule Objective Elements - 50%	
Schedule Fee (F_S)	\$526,017.00

Target Price - Change Log			
Modification	Target Cost	Available Fee	Target Price
Rev 0	\$24,000,000.00	\$1,000,000.00	\$25,000,000.00
Rev 1	\$1,156,816.00	\$48,202.00	\$1,205,018.00
Rev 2	\$79,279.00	\$3,964.00	\$83,243.00
Rev 3	(\$3,162.00)	(\$132.00)	(\$3,294.00)
	\$25,232,933.00	\$1,052,034.00	\$26,284,967.00

Scope - Summary
The major SIS scope tasks and responsibility for performing each task are defined in CD-2/3 Request for UPF Project Site Demolition and Security Upgrades - Scope, Cost, and Schedule (PL-PM-80 I768-A025), CD-2/3 Request for UPF Project Concrete Batch Plant - Scope, Cost, and Schedule (PL-PM-80 I768-A041), CD-2/3 Request for UPF Construction Support Building - Scope, Cost, and Schedule (PL-PM-80 I768-A040), Letter of Direction (COR-ESH-4. 40. 2015-624559) Contracting Officer's Direction for the UPF Construction Support Building, and Technical Direction (COR-ESH-5.4.20 15-627981) UPF SIS, Construction Support Building. NOTE: Major scope elements are identified in the Work Break Down (WBS) section.

Critical Decision (CD)- Summary	
CD-4 Approval	April 30, 2018
Key Performance Parameters	
1	Required grading and water management features have been constructed in accordance with the approved plans and specifications.
2	Security features for the Haul Road extension have been constructed and tested in accordance with the approved plans and specifications.
3	The Concrete Batch Plant has been installed and commissioned and is ready to support UPF construction.

4	The Construction Support Building has been constructed in accordance with the approved plans and specifications. (USACE scope, not part of this annex.)	
Schedule Milestones - Summary		
Site Demolition and Security Upgrades		
VAS Gate and Portal 19 Complete and Ready for Use.		April 15, 2016
Monitoring Wells Plug and Abandonment Complete.		June 23, 2015
Building 9107 Demolition Complete.		June 17, 2015
Concrete Batch Plant		
Concrete Batch Plant Design Complete		March 31, 2016
Concrete Batch Plant Commissioning is Complete.		October 30, 2016
Construction Support Building		
Construction Support Building Performance Specification Complete.		March 2, 2015
Civil and Utility Design for Construction Support Building Complete.		October 22, 2015
Construction Support Building Beneficial Occupancy		November 20, 2017

Schedule Incentives *			
	Earned Value at Milestone	Delay Reductions (Calendar Days)	Earned Value at CD-4 Impact **
Building 9107 Demolition & Monitoring Wells Plug and Abandonment	\$15,000.00	N/A	\$0
VAS Gate	\$34,803.00	1-30 days late: \$150/day; \$4.5k Max 31-60 days late: \$300/day; \$18k Max ≥61 days late: \$600/day; \$30k Max	\$0
Portal 19	\$50,197.00	1-30 days late: \$180/day; \$5.4k Max 31-60 days late: \$360/day; \$21k Max ≥61 days late: \$720/day; \$45k Max	\$0
Concrete Batch Plant	\$270,000.00	1-30 days late: \$1k/day; \$30k Max 31-60 days late: \$2K/day; \$120k Max ≥61 days late: \$3k/day; \$200k Max	\$0
Construction Support Building Support	\$154,101.00	N/A	\$0

NOTE: * Schedule incentives are tied to schedule milestones dates and WBS definitions of complete.
** CD-4 impacts directly related and attributable to CNS performance.

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Schedule of Values – Fee Liquidation Schedule *						
When Paid	Scope	Cost Objective			Schedule Objective	
		Provisional	Earned	Unliquidated	Provisional	Earned
Annex Signed	Building 9107 Demolition	\$22,750.00	-	\$9,750.00	-	\$14,810.00
Annex Signed	Monitoring Wells Plug and Abandonment	\$292.00	-	\$125.00	-	\$190.00
Annex Signed	Initial Construction Support Building (CSB) Support	\$11,520.00	-	\$4,938.00	-	\$10,000.00
Annex Signed	Concrete Batch Plant Awarded	\$28,438.00	-	\$12,187.00	-	\$16,000.00
On Completion	Concrete Batch Plant Design	\$28,438.00	-	\$12,187.00	-	\$16,000.00
On Completion	VAS Gate	\$75,833.00	-	\$32,500.00	-	\$34,803.00
On Completion	Portal 19	\$109,375.00	-	\$46,875.00	-	\$50,197.00
On Completion	Concrete Batch Plant Commissioned and Accepted	\$56,875.00	-	\$24,375.00	-	\$238,000.00
Rev 1 Signed	USACE Support through May 2016	\$19,139.00	-	\$8,203.00	-	\$16,612.00
On Completion	48" Stormwater Line Installation	\$1,387.00	-	\$595.00	-	\$1,982.00
On Completion	USACE Support to Achieve CSB Beneficial Occupancy **	\$14,211.00	-	\$6,090.00	-	\$127,489.00
Journal Correction	Procurement Pool Removal	-	-	(\$66.00)	-	(\$66.00)
TBD	Final Fee Determination ***	\$368,258.00	SIS CD-4	\$157,759.00	-	\$526,017.00
NOTE: * Schedule of values for provisional and earned fee are tied to Schedule Milestones dates and WBS definitions of complete. ** CNS shall provide written notice to the Contracting Officer whenever it has reason to believe that the costs it expects to incur under the USACE support control account will exceed 75% of budget. The USACE support to go estimate is based on services and durations recommended by SIS FPD. CNS shall have the burden of proof for demonstrating and providing the basis for any adjustments or unforeseen conditions outside the June 2016 basis for USACE support to go, including detailed labor charges for all subdivided tasks. The parties may agree to adjust the USACE support budget prior to the final fee determination, including reportioning USACE Support services and/or revising the Annex as necessary. CNS shall true up the Contract Budget Base (Performance Measurement Baseline and Management Reserve) to reflect any unused USACE support budget, and return any unused portion to Federal Project Director contingency. *** NNSA will make a Final Fee Determination, including any potential Target Cost/Target Fee adjustments, after NNSA approval of SIS CD-4 and acceptance of SIS closeout report.						

Work Break Down Structure (WBS)									
WBS Level									Title
1	2	3	4	5	6	7	8	9	
1	07	02	09	45	25				SITE INFRASTRUCTURE & SERVICES (SIS)
Description of Scope									
This includes Site Demolition & Security Upgrades, Concrete Batch Plant, and Construction Support Building.									

1	07	02	09	45	25	30			SIS SITE DEMOLITION & SECURITY UPGRADES (SDS)
Description of Scope									
This work breakdown structure (WBS) element consists of defined scope for site demolition and security upgrades in advance of start of UPF construction.									

1	07	02	09	45	25	30	05		SIS CNS/BNI PERFORM SIS CIVIL & SECURITY MODIFICATIONS
Description of Scope									
This Control Account is for CNS/BNI scope per the As-Approved CD package for the Site Demolition & Security Upgrades including building demolition/debris removal, LOTOs, Asphalt Removal/Recovery, Well P&A, new Security Portal 19, VAS Gate #5, Site Maintenance, and Project Integration support including subcontracts and materials as needed. (see WP/PP for additional details).									

1	07	02	09	45	25	30	05	10	SIS CNS/BNI Perform Building 9107 Isolations/LOTO for Demolition
Description of Scope									
This WP is for the CNS Maintenance group to perform remaining utility isolations prior to demolition of buildings listed in WP 1.07.02.09.45.25.30.05.15 and supply water for dust control during demo and debris removal.									
Method of Accomplishment		Status of Work Scope		Definition of Complete					
CNS Maintenance		Completed		Completion for this WP is the final isolations for buildings listed in WP 1.07.02.09.45.25.30.05.15 and dust control. All work scope is complete.					

1	07	02	09	45	25	30	05	15	SIS CNS/BNI S/C Perform Building 9107 Demolition
Description of Scope									
This WP encompasses a subcontractor to perform building demolition and removal of debris for the following areas:									
1) 9107 office building and surface slab. 2) 9124 storage building.									

3) 9720-37 (ammunition bunker). 4) 9723-35, 9983-GX, 9983-88 (trailers) (utilities will be abandoned in place). 5) Perimeter fence and guard rails, except for guard rail parallel to PIDAS (per demo dwg). 6) Relocate/Demolish security features (per approved Security Feature changes).		
Method of Accomplishment	Status of Work Scope	Definition of Complete
Fixed-price Sub	1) Completed 2) Completed 3) Completed 4) Completed 5) Completed 6) Completed	Completion of demolition/relocation scope. All work scope is complete.

1	07	02	09	45	25	30	05	20	SIS CNS/BNI Perform Civil & Utility Site Work Modification
Description of Scope									
This WP encompasses the CNS/BNI direct hire labor to perform civil/utility site work: 1) Removal of 6" depth of Asphalt in the following locations: • Bear Creek, Pine Ridge, and 9107 parking lots. • East/West detour. • BCR from Pine Ridge parking lot to West detour. • Asphalt will be ground/crushed for reuse at Y-12. 2) Installation of sanitary sewer line inside PA (Per Design). 3) Electrical demolition of Old BCR & Pine Ridge parking lot lights and feeder. 4) Install guardrail along East detour (~600 lf) and striping of road. 5) Install mineral aggregate or recovered asphalt base along Haul Rd. from BCR parking lot to VAS gate.									
Method of Accomplishment		Status of Work Scope		Definition of Complete					
1) Direct Hire/CNS 2) Direct Hire/CNS 3) Direct Hire/CNS 4) Fixed-price Sub 5) Direct Hire/CNS		1) Completed 2) Ongoing 3) Completed 4) Completed 5) Completed		Final acceptance of sanitary sewer line and utility work by CNS Y-12 as evidence by authorized signatures on the acceptance documents.					

1	07	02	09	45	25	30	05	23	SIS CNS/BNI Procure Civil & Utility Site Work Material
Description of Scope									
This WP is for material procurements based on MTOs associated with: 1) Installation of the Sanitary Sewer line inside PA. 2) Installation of Mineral Aggregate for Haul Rd from BCR parking lot to VAS gate. 3) Guardrail along East detour (~600 lf). 4) Any minor materials for the Asphalt Removal and Electrical Demo to support the labor listed in 1.07.02.09.45.25.30.05.20.									
Method of Accomplishment		Status of Work Scope		Definition of Complete					

Local Suppliers - Material Receiving Reports	1) Ongoing 2) Completed 3) Completed 4) Completed	Material Receipt / Inspection Reports signed by authorized CNS Y-12 representatives.

1	07	02	09	45	25	30	05	25	SIS CNS/BNI S/C Perform P&A Monitoring Wells
Description of Scope									
This WP is for a subcontractor to Plug and Abandon (P&A) two existing groundwater monitoring wells located within the excavation and grading footprint along the bank east of 9107.									
Method of Accomplishment		Status of Work Scope		Definition of Complete					
Fixed-price Sub		Completed		Plug and Abandon for two wells.					

1	07	02	09	45	25	30	05	30	SIS CNS/BNI S/C Procure & Install Portal 19
Description of Scope									
This scope includes procurement and installation of a new security Portal 19 on the haul road to control access. Includes guard building, fences, gates, walkup, and security equipment.									
Method of Accomplishment		Status of Work Scope		Definition of Complete					
Fixed-price Sub		Ongoing		Final acceptance of the new Security Portal 19 by CNS Y-12 as evidenced by authorized signatures on the acceptance documents.					

1	07	02	09	45	25	30	05	35	SIS CNS/BNI Procure VAS Gate Bulks
Description of Scope									
This WP is for bulk material procurements based on MTOs associated with installation of Vehicle Arresting System (VAS) Gate # 5 including required electrical materials and grading, excavation, asphalt and concrete placement materials. This WP does not include the purchase of the VAS Gate.									
Method of Accomplishment		Status of Work Scope		Definition of Complete					
Local Suppliers - Material Receiving Reports		Ongoing		Material Receipt / Inspection Reports signed by authorized CNS Y-12 representatives.					

1	07	02	09	45	25	30	05	36	SIS CNS/BNI Install VAS Gate
Description of Scope									
This WP is for CNS/BNI direct hire labor to install the Vehicle Arresting System (VAS) Gate # 5 and associated electrical service, associated grading, excavation, asphalt, and concrete, relocation of a revetment, installation of Response Road, construct a Security Vehicle parking position, and the barrier wall at VAS Gate #5. Also included in this WP is the labor associated with VAS Gate #5 Construction Testing.									

Method of Accomplishment	Status of Work Scope	Definition of Complete
Direct-hire labor	Ongoing	Final acceptance of the new 40' VAS Gate #5 by CNS Y-12, as evidenced by authorized signatures on the acceptance documents.

1	07	02	09	45	25	30	05	37	SIS CNS/BNI Procure VAS Gate & Wall Barrier
Description of Scope									
This WP is for procurement of the VAS Gate and Barrier Wall for installation of Vehicle Arresting System (VAS) Gate # 5 based specifications. This WP does not include the material purchase associated with VAS Gate #5 electrical supply and grading/finish.									
Method of Accomplishment		Status of Work Scope		Definition of Complete					
Purchase order - Material Receiving Reports		Ongoing		Material Receipt / Inspection Reports signed by authorized CNS Y-12 representatives.					

1	07	02	09	45	25	30	05	40	SIS Field Distributions
Description of Scope									
This WP is for CNS/BNI scope during the As-Approved CD period for CNS/BNI SIS effort:									
1) UPF Site maintenance, including weed eating and mowing of subcontractor's yard during CNS/BNI effort on SIS.									
2) Maintenance of UPF site roads and walkways (safety barriers, traffic devices, misc. support) during CNS/BNI effort on SIS.									
3) Field communications maintenance.									
4) Purchase of small tools, consumables, and misc. materials for CNS/BNI effort on SIS.									
5) Purchase of safety supplies (e.g., PPE): hard hats, gloves, glasses, first aid supplies for CNS/BNI effort on SIS.									
6) Field Communications purchase, including two-way radios, wireless utilities (radios and computers will be provided to USACE) covering the SIS CD approved performance period.									
7) General Services Administration (GSA) vehicle agreements.									
Method of Accomplishment		Status of Work Scope			Definition of Complete				
CNS/BNI direct labor, subcontracts, and BPS purchases, GSA agreements. Distributions.		Ongoing			CD-4 approval from the DOE/NNSA Project Management Executive.				

1	07	02	09	45	25	30	05	50	SIS Field Non-Manual
Description of Scope									
This WP is for CNS/BNI Field Construction Management during the As-Approved CD period for CNS/BNI SIS effort including: 1) Construction Superintendents, Field Engineers, Subcontract Technical Representatives, field									

administrative support and field document management center. 2) Field support provided by functional organization staff including Field Procurement, Quality Control (QC), Project Controls, and ES&H. 3) Inspections in the field by the QC organization will ensure appropriate level of quality. 4) Maintenance (Y-12 Infrastructure) for tie-in of utilities, lock-out/tag-out of plant systems, and utility disconnects not specified in other WPs associated with SIS.		
Method of Accomplishment	Status of Work Scope	Definition of Complete
CNS/BNI Const. Direct Staff	Ongoing	CD-4 approval from the DOE/NNSA Project Management Executive.

1	07	02	09	45	25	30	05	60	SIS Field Non-Manual Other Costs
Description of Scope									
This WP is for CNS/BNI site services such as Security, Fire Protection, Medical, Refuse/Recycling, Waste Management and RADCON during the As-Approved CD period for CNS/BNI SIS effort. Includes Site Usage Fee for BNI, S/C Non Manual and USACE FNM resources on-site.									
Method of Accomplishment	Status of Work Scope	Definition of Complete							
CNS/BNI contractor will provide security and Fixed Unit Rate subcontracts for service subcontracts	Ongoing	CD-4 approval from the DOE/NNSA Project Management Executive.							

1	07	02	09	45	25	30	15		SIS CNS/BNI SIS PROJECT FUNCTIONAL SUPPORT
Description of Scope									
This Control Account is for CNS/BNI scope per the As-Approved CD package for project management and functional support for the defined site infrastructure and services scope.									

1	07	02	09	45	25	30	15	10	SIS Project Integration
Description of Scope									
This WP is for project functional organizations to provide support for the CNS/BNI authorized scope during the As-Approved CD period for CNS/BNI SIS effort. This includes project management support; Project Controls baseline management support, change control support, and SIS reporting; Project Services document control and records management system; Procurement award and management of designated site infrastructure and services subcontracts (subcontract administration is included with each subcontract); Environment, Safety & Health (ES&H) management and integration for health, safety, and environmental compliance; CNS Maintenance interface support; and Security derivative classifiers for review of project documents. This WP also includes CNS/BNI functional organization support.									
Method of Accomplishment	Status of Work Scope	Definition of Complete							
CNS/BNI contractor staff -Passage of Time	Ongoing	CD-4 approval from the DOE/NNSA Project Management Executive.							

1	07	02	09	45	25	30	15	30	SIS Title III Engineering
Description of Scope									
This WP is for Title III Engineering support during the As-Approved CD period for CNS/BNI SDS effort consisting of Engineering activities required to assure that SDS activities are executed in accordance with plans and specifications for scope executed under CNS authority.									
Method of Accomplishment		Status of Work Scope			Definition of Complete				
CNS/BNI direct staff and BOA subcontractors		Ongoing			CD-4 approval from the DOE/NNSA Project Management Executive.				

1	07	02	09	45	25	30	15	40	SIS USACE Support
Description of Scope									
This WP is for CNS/BNI Project Integration (Project Management, Project Controls, etc.), Title III, Field Staff and Coordination, RADCON, Security Force/Canine search support, and other CNS/BNI services required during and as authorized in the As-Approved CD period to directly support the following SIS project scopes being executed by the USACE: 1) Building 9107 hillside excavation to specified grade level after demolition of Building 9107. 2) Demolition of specified portion of existing underground 24-inch (approx. 650LF) and 16-inch (approx. 600LF) potable water lines after new potable water lines are tied-in (Site Readiness scope). 3) Demolition of NNSA authorized site structures, including fencing, concrete curbing, concrete walks, guardrail, and other site appurtenances. 4) Installation of new storm drain line C which includes 48-inch RCP, and JC-3 and JC-4. 5) Installation of new storm drain line which includes C-4, SB-3, 24-inch RCP, and 24-inch HDPE Piping. 6) Installation of B-13 and temporary 24-inch HDPE storm drain piping. 7) Installation of Sanitary Sewer line MHB-7 to MHB-4. 8) Installation of Storm Drain Line G, including SB-6. 9) Perform erosion and sediment control and water management for USACE scope of work. 10) Installation of Sediment Basin 4 and associated outlet control structure. 11) Demolition and removal (excluding asphalt removal) of unused stretch of Phase I BCR that extends west beyond the tie-in on the east of BCR relocated as part of Site Readiness. 12) Installation of new storm drain line K which includes 48-inch RCP, and JK-2, JK-3, and JK-4. 13) Maintenance of West Borrow area, Wet Spoils area, and Haul Road during use by USACE. 14) Rough / finish excavation and grading of the Construction Support Building site. 15) Design Authority (DA) representation will also be provided on an as-needed basis to support USACE construction activities, including maintenance of Title III-related documents and the review and approval of contract submittals per NNSA approval.									
Method of Accomplishment		Status of Work Scope			Definition of Complete				
CNS/BNI contractor direct staff and BOA subcontractors.		Ongoing			CD-4 approval from the DOE/NNSA Project Management Executive.				

1	07	02	09	45	25	30	90		SIS NNSA Direct ODC
Description of Scope									
This WBS element includes all scope directly executed by the NNSA. NNSA will procure specific site infrastructure and services activities through an Interagency Agreement with the U.S. Army Corps of Engineers (USACE).									

1	07	02	09	45	25	30	90	10	SIS NNSA Direct USACE Civil Site Prep including CSB Excavation
Description of Scope									
This USACE Task Order scope includes: 1) 9107 hillside excavation to grade after demolition of Building 9107 by the M&O/BNI contractor under WBS 1.07.02.09.45.25.30.05.10. 2) Demolition of portion of existing underground 24-inch and 16-inch potable water lines after new potable water lines are tied in as part of Site Readiness scope. This includes demo of approximately 600 LF of 16-inch waterline and 650 LF of 24-inch waterline. 3) Demolition of site structures, including fencing, concrete curbing, concrete walks, guardrail, and other site appurtenances. 4) Installation of new storm drain line C which includes 48-inch RCP, and JC-3 and JC-4. 5) Installation of new storm drain line which includes C-4, SB-3, 24-inch RCP, and 24-inch HDPE Piping. 6) Installation of B-13 and temporary 24-inch HDPE storm drain piping. 7) Installation of Sanitary Sewer line MHB-7 to MHB-4. 8) Installation of Storm Drain Line G, including SB-6. 9) Perform erosion and sediment control and water management for USACE scope of work. 10) Installation of Sediment Basin 4 and associated outlet control structure. 11) Demolition and removal (excluding asphalt removal) of unused stretch of Phase I BCR that extends west beyond the tie-in on the east of BCR relocated in Site Readiness. 12) Installation of new storm drain line K which includes 48-inch RCP, and JK-2, JK-3, and JK-4. 13) Maintenance of West Borrow area, Wet Spoils area, and Haul Road during use by USACE. 14) Rough / finish excavation and grading of the Construction Support Building site.									
Method of Accomplishment		Status of Work Scope			Definition of Complete				
USACE Task Order		Complete			Work scope not part of this annex.				

1	07	02	09	45	25	30	90	20	SIS NNSA Direct USACE Supervision & Administration
Description of Scope									
USACE Construction Management in the field for execution of Civil Site Work; includes engineering and design support, supervision and administration, mobilization, and preparatory work.									
Method of Accomplishment		Status of Work Scope			Definition of Complete				
USACE Task Order		Complete			Work scope not part of this annex.				

1	07	02	09	45	25	30	90	30	SIS NNSA Direct Site Usage Fee
Description of Scope									
This WBS element captures the cost included in the USACE Task Order for the Y-12 Site Usage Fee to cover fire protection, emergency services, security, etc. for USACE staff and subcontractors.									
Method of Accomplishment		Status of Work Scope		Definition of Complete					
USACE Task Order		Complete		Work scope not part of this annex.					

1	07	02	09	45	25	50			SIS CONCRETE BATCH PLANT
Description of Scope									
This Control Account is for the construction and commissioning of the As-Approved CD package On-Site Concrete Batch Plant (CBP) to provide concrete for UPF construction. This control account includes Subcontract to Furnish/Install/Commission the CBP, CNS/BNI labor and materials to supply utilities and services to/from the batch plant, and CNS/BNI Integrated Support for the Installation/Commissioning of the Batch Plant.									

1	07	02	09	45	25	50	10		Batch Plant Furnish/Install
Description of Scope									
Installation and commissioning of an on-site concrete batch plant to provide concrete for UPF construction. A furnish and install subcontract will be awarded to perform this scope.									
Method of Accomplishment		Status of Work Scope		Definition of Complete					
Furnish/Install Subcontract		Ongoing (Phased work scope release by customer)		The UPF CBP is commissioned and ready to provide concrete for the UPF Construction scope.					

1	07	02	09	45	25	50	30		Batch Plant Subcontract Support
Description of Scope									
CNS/BNI support for the subcontractor Furnish, Installation, and Commissioning of the As-Approved CD package CBP including: field non-manual (construction management and oversight, STRs, field engineers, Quality, etc.), CNS RADCON services, and Title III Engineering. Subcontract costs to install temporary fencing are also included in this element.									
Method of Accomplishment		Status of Work Scope		Definition of Complete					
CNS/BNI direct staff and subcontractors		Ongoing (Phased work scope release by customer)		The UPF CBP is commissioned and ready to provide concrete for the UPF Construction scope.					

1	07	02	09	45	25	60	10		SIS CNS/BNI CSB UTILITIES INSTALL AND NNSA /USACE SUPPORT
Description of Scope									
This Control Account is to provide Discrete CNS/BNI labor, subcontracts, and materials for the installation, testing, and tie-in of utilities (electrical, water, sewage, communications) to the 5' Limit of the Construction Support Building (CSB) and to provide LOE Project Integration support as authorized by NNSA during USACEs construction of the CSB.									

1	07	02	09	45	25	60	10	10	SIS CNS/BNI Procure Matl for CSB Utilities
Description of Scope									
This WP is for bulk material procurements based on MTOs needed to provide utilities (electric, water, sewer, communications) and tie-ins to the CSB. Distributable are also included in this element.									
Method of Accomplishment		Status of Work Scope			Definition of Complete				
Local Suppliers - Material Receiving Reports		Work Not Authorized by NNSA			Material Receipt / Inspection Reports signed by authorized CNS Y-12 representatives.				

1	07	02	09	45	25	60	10	20	SIS CNS/BNI CSB Utilities
Description of Scope									
This Discrete WP is for CNS/BNI direct labor to install CSB utilities (electric, water, communications) and tie-ins to the CSB.									
Method of Accomplishment		Status of Work Scope			Definition of Complete				
CNS/BNI direct staff		Work Not Authorized by NNSA			CSB utilities are installed, tested, tied-in, and accepted by CNS Y-12; as evidenced by authorized signatures on the acceptance / turnover documents.				

1	07	02	09	45	25	60	10	30	SIS CNS/BNI Project Integration Support to USACE during CSB Design/Construction and Utility Installation
Description of Scope									
Owner's Agent support as specified in COR-ESH-6.4.2015-628668 dated 8 Jun 2015, Contracting Officer's Clarification on Consolidated Nuclear Security, LLC Responsibilities for the UPF CSB, including:									
1) Integrating the CSB schedule and risks into the overall UPF Site Infrastructure & Services (SIS) schedule and risk register. 2) Providing CNS/BNI Subject Matter Experts (SMEs) to participate in the USACE post award conference. 3) Reviewing and commenting on the USACE CSB Design submittals, with respect to compliance with the CNS performance specification. The current schedule shows: - 30% Design Charrette meeting (13-19 Apr 2016) - 60% Design Review (01-14 Jun) - Onsite Meeting and Comment Resolution (15-16 Jun) - 90% Design Review (29 Jul-11 Aug 2016)									

- Onsite Meeting and Comment Resolution (12-15 Aug) - Design Complete (26 Aug)		
4) Posting the USACE Design and Submittals into the official UPF Project Record. 5) Interfacing with CNS Y-12 to provided site specific USACE support (badging, information technology, construction permits, lock out / tag outs, utility hookups and outages, waste disposition, RADCON services, HAZMAT monitoring services during the CSB Ground Source Heat Pump construction, security services, etc.). 6) Participating in weekly SIS IPT meetings, and preparing SIS progress reports / briefings. 7) Participating in walkdowns and inspections of USACE work, as SME advisors to UPO (plan for 8 hrs per week). 8) All support specified in Appendix B to PL-PM-801768-A030, UPF Site Infrastructure and Services Subproject Execution Plan.		
Method of Accomplishment	Status of Work Scope	Definition of Complete
CNS/BNI contractor direct staff and BOA subcontractors.	Work Not Authorized by NNSA.	CNS assumes responsibility and ownership for the CSB in the DOE FIMS database and on other required Real Property records. CD-4 approval from the DOE/NNSA Project Management Executive.

1	07	02	09	45	25	60	10	40	Northwind Subcontract for Instalation of 48" storm line.
Description of Scope									
- Removal of existing pipe plug - Excavation, hauling, and placement of material for approximately 80' of 48" diameter RCP storm sewer piping, including junction box JC-3 - Installation of approximately 80' of RCP storm sewer pipe including setting of junction box JC-3 - Providing new gasket materials if required - Placement and compaction of pipe/structure bedding, initial and final backfill - Inspection and testing - As-built survey - Submittal and acceptance of any replacement materials, if needed (new gaskets) - Documentation as required per Inspection and Test Plan for storm sewer pipe and backfill installation - Submittal of final as-built surveys and final geotechnical testing									
Method of Accomplishment		Status of Work Scope		Definition of Complete					
CNS/BNI subcontractor.		Ongoing		CNS to provide evidence of the acceptance of the subcontractors completion of this activity. Furnishing of approval of subcontractors invoice or equivalent for this work activity is sufficient.					

1	07	02	09	45	26				SIS Other Project Costs
Description of Scope									
This Control Account is for Other Project Costs (OPC) related to CD-4 and closeout activities for the Site Demolition & Security Upgrades scope, Concrete Batch Plant, and Construction Support Building (CSB). Includes all closeout reports, inspection and acceptance testing, and security testing of Portal 19 and VAS Gate 5.									

1	07	02	09	45	26	30			SIS CNS/BNI Site Demolition & Security Upgrades Closeout (OPC)
Description of Scope									
Site Demolition & Security Upgrades OPC scope includes CD-4 and Project Closeout activities. As a basis for CD-4 approval, a report will be prepared that documents inspection and acceptance of completed scope and a plan for transition of appropriate scope to the Y-12 site; i.e., Portal 19 and VAS gate. Project Closeout will be documented in a Final Project Closeout Report. The request for CD-4 and Project Closeout activities for this scope will be based on verifying that Key Performance Parameters (KPPs) have been achieved. Includes Security Testing of Portal 19/VAS Gate and checkout.									
Method of Accomplishment			Status of Work Scope			Definition of Complete			
CNS/BNI direct staff and subcontractors						CD-4 approval from the DOE/NNSA Project Management Executive			

1	07	02	09	45	26	50			SIS CNS/BNI Concrete Batch Plant Closeout (OPC)
Description of Scope									
Concrete Batch Plant OPC scope includes CD-4 and Project Closeout activities. As a basis for CD-4 approval, a report will be prepared that documents inspection and acceptance of completed scope. Project Closeout will be documented in a Final Project Closeout Report. The request for CD-4 and Project Closeout activities for concrete batch plant scope will be based on verifying that Key Performance Parameters (KPPs) have been achieved.									
Method of Accomplishment			Status of Work Scope			Definition of Complete			
CNS/BNI direct staff and subcontractors						CD-4 approval from the DOE/NNSA Project Management Executive			

1	07	02	09	45	26	60			SIS Construction Support Building Closeout (OPC)
Description of Scope									
Construction Support Building OPC scope includes CD-4 and Project Closeout activities. As a basis for CD-4 approval, a report will be prepared that documents inspection and acceptance of completed scope and a plan for transition of appropriate scope to UPO to be provided to the UPF Project as a government-furnished building. Project Closeout will be documented in a Final Project Closeout Report. The request for CD-4 and Project Closeout activities for SIS CSB scope will be based on verifying that Key Performance Parameters (KPPs) have been achieved.									
Method of Accomplishment			Status of Work Scope			Definition of Complete			
CNS/BNI direct staff and subcontractors						CD-4 approval from the DOE/NNSA Project Management Executive			

Reporting Requirements	
The Federal Project Director and Contracting Officer, with inputs from other Government personnel, will verify the on time submission of project reports that meet DOE/NNSA requirements contained in the Data Item Descriptions (DIDs). The Government will perform this verification by comparing the DOE/NNSA requirements contained in the following DIDs to the deliverables provided by the Contractor:	
Data Item Description	Title
DID-PM-0026/T	Monthly Project Report
DID-PRG-0022/T	Integrated Program Management Report (IPMR)
DID-PRG-0021	Monthly Status PARS II Report
DID-PM-0001/T	Document of Trend Board/Change Control Board Meetings
DID-PM-0004/T	Project Completion Verification
DID-PM-0027/T	Resource Loaded Schedule
DID-PM-0029/T	Total Project Cost
DID-PM-0036/T	Federal Project Director Monthly Project Review
DID-PM-0041/T	Project Closeout Report
	Monthly Project Briefing Package to NA-APM
	Monthly Labor Charges Report
	Monthly Expenditure Report for USACE Support
	Weekly Status Report

APPENDIX B

COST PLUS INCENTIVE FEE (CPIF) MODEL/GRAPH

SIS Incentive Fee - Terms

The Government will use the following CPIF Model terms for SIS fee calculation.

P_T = Target Price // Estimated Target Price (\$) if all available fee earned.

F_A = Available Fee // Combined unrealized Target Fee and Schedule Fee (\$).

C_T = Target Cost // Negotiated Target Cost (\$).

F_T = Target Fee // Negotiated Target Fee (\$).

F_S = Schedule Fee // Negotiated Schedule Fee (\$).

C_{UT} = Under Target Cost // Actual Costs (\$) when Maximum Fee realized.

F_{MAX} = Maximum Fee // Maximum Fee (\$) realized for Under Target Cost.

C_{OT} = Over Target Cost // Actual Costs (\$) when Minimum Fee realized.

F_{MIN} = Minimum Fee // Minimum Fee (\$) realized for Over Target Cost.

C_{TAC} = Total Allowable Cost // Actual Cost (\$) the Contractor can claim.

F_{TA} = Target Fee Adjustment // Calculated Fee Adjustment (\$) for Under/Over.

F_{ATF} = Adjusted Target Fee // Calculated Fee Adjustment (\$) applied to Target Fee.

F_{AFF} = Adjusted Final Fee // Calculated Fee Adjustment (\$) for Schedule.

P_C = Contract Price * // Calculated Contract Price (\$) after Final Fee applied.

* Final fee determination will be made using Government CPIF Excel model formulas.

** Earned fee rules apply in determining final Contract Price.

Share Ratios: Government Under/Over Target Shares, expressed as the Government percentage share of cost risk over the Contractor percentage share of cost risk.

Under Target Share = S_{GU}/S_{CU} // Government Share (%)/Contractor Share (%).

Over Target Share = S_{GO}/S_{CO} // Government Share (%)/Contractor Share (%).

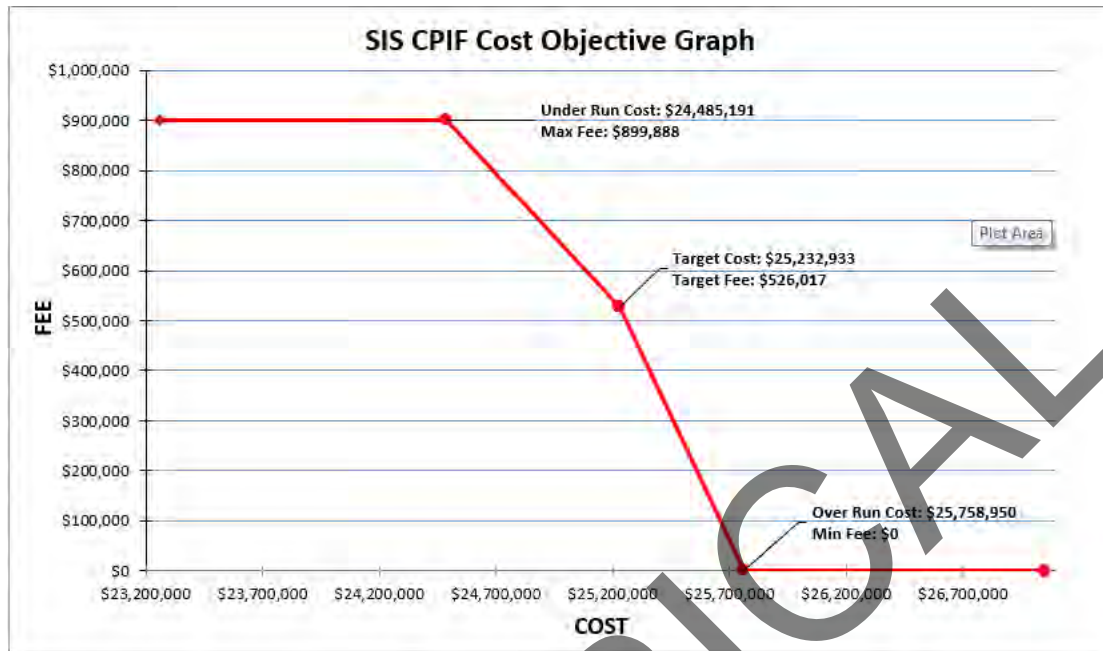


Figure 1: SIS CPIF Cost Objective Graph

APPENDIX C

GOVERNMENT OVERSIGHT MODEL

Cost Objective: The Government will oversee Cost Performance by verifying the Contractor's approved baseline data to ensure mission commitments are met with timely, high quality deliverables, in accordance with DOE Order 413.3B and ANSI/EIA-748B, or as defined in Contract. The Government's purview of the Contractor's project management responsibility related to Cost Objective includes, but not limited to:

- Complete authorized scope in accordance with the approved Performance Measurement Baseline; provide timely project reporting.
- Manage a deliverable-based Work Breakdown Structure (WBS); cost control accounts, work packages and planning packages consistent with WBS/scope.
- Use established DOE earned value methods, measure work accomplishment, and assess project performance; perform variance analysis to identify, correct, and report problems; and regularly evaluate Estimates at Completion (EAC).
- Expend funds and resources that optimally provide the maximum benefit to the Government; perform proactive and effective subcontract management oversight of subcontractors to ensure effective cost performance controls.
- Maintain the total cost under configuration control to ensure impacts of design evolution on procurement, construction, and commissioning are managed effectively; ensure retroactive adjustments to the baseline are not allowed.
- Produce cost estimates compliant to the GAO Best Practices for Developing and Managing Capital Costs Guide and DOE G 413.3-21, Cost Estimating Guide; consider life cycle cost when evaluating proposed project changes.
- Demonstrate effective procurement and subcontract management oversight by driving costs down through competition, making best use of tier two subcontracting opportunities, including maximizing use of fixed price subcontracts and small business participation.
- Establish and maintain a project organization that implements a disciplined conduct of business, EPC commercial best practices, contract management, systems, processes, and procedures in accordance with applicable DOE directives and project requirements.
- Execute quality work products with minimal rework, e.g., designs, specifications, plans, procurement, construction, testing, and commissioning; demonstration of implementation of an approved DOE O 414.1D Quality Program.
- Identify, quantify and mitigate technical, programmatic, schedule, and cost risks.

APPENDIX C - Continued

Schedule Objective: The Government will oversee Schedule Performance by verifying the Contractor's Integrated Master Schedule (IMS) data to ensure mission commitments are met with timely, high quality deliverables, in accordance with Part III-Section J, Appendix, Appendix N, DOE Order 413.3B and ANSI/EIA-748B, or as defined in Contract. The Government's purview of the Contractor's project management responsibility related to Schedule Objective includes, but not limited to:

- Execute scope in accordance with NNSA approved Execution Plans.
- Manage an IMS to support project management, implementation and control; include the total scope of baselined work and identify Work Breakdown Structure (WBS) elements for all activities and milestones; identify interdependencies between project activities/milestones to reflect a credible, logical project sequence; activity durations which are reasonable, measureable, and appropriately detailed for effective management; appropriate activity and resource calendars are employed.
- Baseline the IMS and control the content using the project change control board processes; maintain current project status and credible start/finish forecasts for all to-go tasks and milestones; include project and management controls milestones (e.g., critical decisions, major design reviews, and technology, procurement, construction, testing, and commissioning); incorporate labor, material and equipment resources and ensure reasonable/available.
- Manage a credible critical path as determined by the calculated IMS logic network; ensure adequate schedule margin has been included and clearly defined; ensure the number of lags/leads and activity constraints is reasonable. Incorporate subcontracted activity into schedule/critical path to ensure visibility to the Government.
- Compliance with all applicable environmental, safety, and security requirements. No formal notices of violation or similar citations from a Federal, State, or local regulatory agency; excellent safety DART/TRC rates; no safeguards and security incidents.
- Minimize construction down times; delays to construction activities are minimal, and all delays are proactively identified, tracked, analyzed for patterns, evaluated for quick resolution, and reported expeditiously to CO/FPD.
- Support USACE construction in accordance with NNSA approved Execution Plans and Procedure UPO-95-A026, Interfaces Between UPO, M&O and USACE for UPF Construction.
- Design and engineering products, including material and equipment, shall have the necessary technical and constructability (fabrication) quality to accomplish procurement, fabrication and construction expeditiously without major problems or delays (Title II).
- Provide Resident Engineering representation as directed to support Construction

and oversee the design's intent and requirements; exceptions are rare to non-existent without problems or delays (Title III).

- Perform pre-award/award/post-award, surveillance/oversight functions to support and/or accomplish requirements. Proper source/destination inspection and acceptance provisions are Government special interest items to ensure receipt of quality subcontracted products/materials.
- Identify, quantify and mitigate project schedule risks; perform schedule risk assessments to predict the probability of completing on time.

TORICAL

Uranium Processing Facility (UPF)

Site Readiness (SR) Subproject Fee Structure

Annex 2



Date

Brian P. Reilly
UPF Project Director
Consolidated Nuclear Security, LLC

Date

Dale E. Christenson
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Date

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Michael C. Bocskovits
Contracting Officer
NNSA, UPF Project Office

Revision Log

Revision	Date	Description	Total Pages	Affected Pages
0	December 24, 2015	Initial issue.	Front matter, i–ii Body, 1–2; Appendix A, B, and C.	All

TORICAL

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 APPENDIX B	 B-1
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GOVERNMENT OVERSIGHT MODEL	

1. Introduction

The Uranium Processing Facility (UPF) Site Readiness (SR) Subproject, herein referenced as “SR,” was authorized by the National Nuclear Security Administration (NNSA) to advance the Site Preparatory activities. The SR CD-2/3 scope was divided between Consolidated Nuclear Security, LLC (CNS), herein referenced as “Contractor,” and the United States Army Corps of Engineers (USACE), as defined in the SR Execution Plan, PL-PM-801768-A015, which establishes the formal plan for executing the subproject.

The SR scope supports the UPF Project by completing early key critical-path site preparation construction work so that the Project site will be ready for subsequent nuclear facility construction. The SR scope is best characterized as standard commercial work, and does not implement new technologies. The SR scope shall be managed through the use of the Project’s construction management baseline in order to ensure the scope, mission requirements, and schedules are met within the approved Contract Budget Base (CBB), Statement of Work, and Key Performance Parameters (KPPs) that must be achieved by the Critical Decision (CD) 4 date.

The SR scope shall include subproject optimization of Y-12 activities in support of the Enriched Uranium Mission (EUM), are met with timely, cost effective, high quality deliverables as defined in the Contract and in accordance with DOE O 413.3B and ANSI/EIA-748B.

2. Purpose

The SR Fee Structure, herein referenced as “SR Annex” (Annex 2), is a subset of the overarching Contract, Section J, Appendix B-2, “UPF Fee Plan,” that documents the fee structure arrangement, in which SR performance was evaluated. The purpose of the SR Annex is to document the fixed fee structure, and define how NNSA will determine the final amount of Contractor earned fee, thereby establishing a “contract price” for the SR scope.

3. Approach

The desired performance of the Contractor is to deliver high quality SR deliverables (technical requirements) and/or integration support, which will ultimately deliver a UPF fully capable of meeting all DOE/NNSA mission performance, quality, safeguards and security, and environmental, safety, and health contractual requirements.

The desired goal is to properly incentivize the Contractor for scope already completed, by establishing a fair and reasonable Contract Price for meeting the SR scope.

4. Establishing Annex

The SR Annex shall be approved and incorporated into the Contract by modification at Section J, Appendix B-2, UPF Fee Plan by the Contracting Officer (CO).

The Government will primarily incentivize the Contractor using the following fee arrangement, unless otherwise documented in the Annex:

- Fixed Fee

5. Annex Oversight

The Government Oversight Model, Appendix C, describes the approach NNSA used for conducting surveillance and oversight of SR Contract deliverables, in order to ensure the Contractor deliverables meet the UPF Project requirements. The CO and Contracting Officer's Representatives (CORs), with input from functional area managers, reviewed and considered actual performance. The purpose of the oversight model is to communicate Government expectations to the Contractor in order to ensure Contract objectives, i.e., final outcomes, are achieved. The CO/COR may notify the Contractor anytime during performance of the Contract to address cost, schedule, and/or performance concerns needing attention.

6. Change Procedures

The SR Annex may be updated as necessary during Contract performance. These updates may include, but not limited to, required changes caused by new authorized scope, project phasing, approved change control, and/or establishing/adjusting fee incentives and performance objectives. Any changes shall be codified by a Contract modification within Section J, Appendix B-2, UPF Fee Plan.

All changes, including SR Baseline Changes, are subject to the thresholds outlined in the UPF Project Execution Plan, PL-PJ-801768-A006, Appendix C, and the SR Execution Plan, PL-PM-801768-A015.

Appendix A

SR PERFORMANCE OBJECTIVES

Fee – Summary	
Contract Price (P_C), includes fixed fee	\$12,908,530.00
Fixed Fee (F_F)	\$436,520.00
NOTE: NNSA will make a Final Fee Determination after NNSA approval of SR CD-4 and acceptance of SR closeout report. For the purposes of this negotiated annex, all fee is considered earned upon full execution of SR annex and Contract modification.	

Scope – Summary
NOTE: The major SR scope tasks and responsibility for performing each task are defined in SR Subproject Project Execution Plan (PL-PM-801768-A015). A summary of the major scope elements are identified in the Work Break Down (WBS) summary section, with USACE having the majority of scope and CNS providing support services.

Critical Decision (CD)- Summary	
CD-4 Approval	February 28, 2015

Key Performance Parameters	
1	Bear Creek Road relocated and open to traffic, including a security vehicle turnoff.
2	New Potable water lines relocated, tied in, and delivering water to the City of Oak Ridge and Y-12 site.

3	Construction site cleared of electrical lines, and designated electrical and communication lines relocated and active.
4	Wet spoils area prepared and ready to receive wet spoils from construction excavation.
5	Wet spoils area ready to receive wet spoils from excavation.
6	Haul road constructed from UPF site to batch plant area and ready for trucks hauling concrete and other materials to the construction site.
7	Portal 10 excavated and retaining wall installed as designed.
8	Jack-and-bore installation of utility casing completed and ready for utility installation.
9	Wetland expansion/creation completed to mitigate wetland impacts.

Schedule Milestones - Summary

Site Readiness CD-4 Completion/Ready for Use.	February 28, 2015

Work Break Down Structure (WBS)

1.07.02.09.25.05.10.10.95.40 – Electrical Utilities
1.07.02.09.25.05.10.10.95.50 – Civil Work
1.07.02.09.25.90.10.10 – Project Functional Support
1.07.02.09.25.40.91.10.10 – Title III Engineering
1.07.02.09.25.50.92.10.51.10 – Wet Spoils
1.07.02.09.25.50.92.10.51.20 – West Borrow Area
1.07.02.09.25.50.92.10.53 – Construction Equipment, Tools and Supplies
1.07.02.09.25.50.92.10.54 – Field Non-Manual

Reporting Requirements	
The Federal Project Director and Contracting Officer, with inputs from other Government personnel, will verify the on time submission of project reports that meet DOE/NNSA requirements contained in the Data Item Descriptions (DIDs). The Government will perform this verification by comparing the DOE/NNSA requirements contained in the following DIDs to the deliverables provided by the Contractor:	
Data Item Description	Title
DID-PM-0026/T	Monthly Project Report
DID-PRG-0022/T	Integrated Program Management Report (IPMR)
DID-PRG-0021	Monthly Status PARS II Report
DID-PM-0001/T	Document of Trend Board/Change Control Board Meetings
DID-PM-0004/T	Project Completion Verification
DID-PM-0027/T	Resource Loaded Schedule
DID-PM-0029/T	Total Project Cost
DID-PM-0036/T	Federal Project Director Monthly Project Review
DID-PM-0041/T	Project Closeout Report
	Monthly Project Briefing Package to NA-APM
	Monthly Labor Charges Report

APPENDIX B FEE STRUCTURE

SR Fee Structure - Terms

The Government will use the following fee structure for SR fee calculation.

P_C = Contract Price // Negotiated Contract Price (\$), including fee.

F_F = Fixed Fee // Negotiated Fixed Fee (\$), based on negotiated actuals.

TORICAL

APPENDIX C

GOVERNMENT OVERSIGHT MODEL

Cost Objective: The Government will oversee Cost Performance by verifying the Contractor's approved baseline data to ensure mission commitments are met with timely, high quality deliverables, in accordance with DOE Order 413.3B and ANSI/EIA-748B, or as defined in Contract. The Government's purview of the Contractor's project management responsibility related to Cost Objective includes, but not limited to:

- Complete authorized scope in accordance with the approved Performance Measurement Baseline; provide timely project reporting.
- Manage a deliverable-based Work Breakdown Structure (WBS); cost control accounts, work packages and planning packages consistent with WBS/scope.
- Use established DOE earned value methods, measure work accomplishment, and assess project performance; perform variance analysis to identify, correct, and report problems; and regularly evaluate Estimates at Completion (EAC).
- Expend funds and resources that optimally provide the maximum benefit to the Government; perform proactive and effective subcontract management oversight of subcontractors to ensure effective cost performance controls.
- Maintain the total cost under configuration control to ensure impacts of design evolution on procurement, construction, and commissioning are managed effectively; ensure retroactive adjustments to the baseline are not allowed.
- Produce cost estimates compliant to the GAO Best Practices for Developing and Managing Capital Costs Guide and DOE G 413.3-21, Cost Estimating Guide; consider life cycle cost when evaluating proposed project changes.
- Demonstrate effective procurement and subcontract management oversight by driving costs down through competition, making best use of tier two subcontracting opportunities, including maximizing use of fixed price subcontracts and small business participation.
- Establish and maintain a project organization that implements a disciplined conduct of business, EPC commercial best practices, contract management, systems, processes, and procedures in accordance with applicable DOE directives and project requirements.
- Execute quality work products with minimal rework, e.g., designs, specifications, plans, procurement, construction, testing, and commissioning; demonstration of implementation of an approved DOE O 414.1D Quality Program.
- Identify, quantify and mitigate technical, programmatic, schedule, and cost risks.

APPENDIX C - Continued

Schedule Objective: The Government will oversee Schedule Performance by verifying the Contractor's Integrated Master Schedule (IMS) data to ensure mission commitments are met with timely, high quality deliverables, in accordance with Part III-Section J, Appendix, Appendix N, DOE Order 413.3B and ANSI/EIA-748B, or as defined in Contract. The Government's purview of the Contractor's project management responsibility related to Schedule Objective includes, but not limited to:

- Execute scope in accordance with NNSA approved Execution Plans.
- Manage an IMS to support project management, implementation and control; include the total scope of baselined work and identify Work Breakdown Structure (WBS) elements for all activities and milestones; identify interdependencies between project activities/milestones to reflect a credible, logical project sequence; activity durations which are reasonable, measureable, and appropriately detailed for effective management; appropriate activity and resource calendars are employed.
- Baseline the IMS and control the content using the project change control board processes; maintain current project status and credible start/finish forecasts for all to-go tasks and milestones; include project and management controls milestones (e.g., critical decisions, major design reviews, and technology, procurement, construction, testing, and commissioning); incorporate labor, material and equipment resources and ensure reasonable/available.
- Manage a credible critical path as determined by the calculated IMS logic network; ensure adequate schedule margin has been included and clearly defined; ensure the number of lags/leads and activity constraints is reasonable. Incorporate subcontracted activity into schedule/critical path to ensure visibility to the Government.
- Compliance with all applicable environmental, safety, and security requirements. No formal notices of violation or similar citations from a Federal, State, or local regulatory agency; excellent safety DART/TRC rates; no safeguards and security incidents.
- Minimize construction down times; delays to construction activities are minimal, and all delays are proactively identified, tracked, analyzed for patterns, evaluated for quick resolution, and reported expeditiously to CO/FPD.
- Support USACE construction in accordance with NNSA approved Execution Plans and Procedure UPO-95-A026, Interfaces Between UPO, M&O and USACE for UPF Construction.
- Design and engineering products, including material and equipment, shall have the necessary technical and constructability (fabrication) quality to accomplish procurement, fabrication and construction expeditiously without major problems or delays (Title II).
- Provide Resident Engineering representation as directed to support Construction

and oversee the design's intent and requirements; exceptions are rare to non-existent without problems or delays (Title III).

- Perform pre-award/award/post-award, surveillance/oversight functions to support and/or accomplish requirements. Proper source/destination inspection and acceptance provisions are Government special interest items to ensure receipt of quality subcontracted products/materials.
- Identify, quantify and mitigate project schedule risks; perform schedule risk assessments to predict the probability of completing on time.

TORICAL

Uranium Processing Facility (UPF)

Design Management Plan (DMP) Fee Structure

Annex 1 (REV 7)



[Redacted signature line]

John P. Howanitz
UPF Project Director
Consolidated Nuclear Security, LLC

Date

Dale E. Christenson
Federal Project Director
NNSA, UPF Project Office

Date

[Redacted signature line]

Scott S. Crawford
UPF Prime Contracts Manager
Consolidated Nuclear Security, LLC

Date

Michael C. Bocskovits
Contracting Officer
NNSA, UPF Project Office

Date

Revision Log

Revision	Date	Description	Total Pages	Affected Pages
0	April 21, 2016	Initial issue.	Front matter, i-ii Body, 1–2; Appendix A, B, and C.	All
1	August 10, 2016	Change to target cost/target fee related to BCP 16P159 for increase in UPF testing scope required to achieve TRL 7 for microwave casting technology.	Front matter, i-ii Body, 1–2; Appendix A, B, and C.	A-1-10 B-2
2	September 1, 2016	Added Target Price Change Log.	Front matter, i-ii Body, 1–2; Appendix A, 1-18; Appendix B, 1-2; and Appendix C, 1-3.	A-2
3	November 1, 2016	Change to target cost/target fee related to BCP17P018 return to contingency of hours/costs related to LEED certification no longer required. Max Fee correction.	Front matter, i-ii Body, 1–2; Appendix A, 1-18; Appendix B, 1-2; and Appendix C, 1-3.	A-1-11 B-2
4	June 16, 2017	Change to target cost/target fee related to BCP17P336 draw from contingency for revised PIDAS design requirements.	Front matter, i-ii Body, 1–2; Appendix A, 1-18; Appendix B, 1-2; and Appendix C, 1-3.	A-1-11 B-2
5	March 5, 2018	Change to target cost/target fee related to BCP18P095, 18P098, and 18P0138 return to contingency for removal of duplicate scope.	Front matter, i-ii Body, 1–2; Appendix A, 1-18; Appendix B, 1-2; and Appendix C, 1-3.	A-1-11 B-2
6	June 19, 2018	Change to target cost/target fee related to Procurement Pool removal. Includes Journal correction to correct Rev 4 error to provisional schedule objective fee total.	Front matter i-ii Body, 1-2; Appendix A, 1-18; Appendix B, 1-2; and Appendix C, 1-3.	A-1-11 B-2
7	September 12, 2018	Change to target cost/target fee related to negotiated agreement for DMP Closure.	Front matter i-ii Body, 1-2; Appendix A, 1-18; Appendix B, 1-2; and Appendix C, 1-3.	A-1-11 B-2

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GOVERNMENT OVERSIGHT MODEL	

1. Introduction

The Uranium Processing Facility (UPF) Design Management Plan, herein referenced as “DMP,” was authorized by the National Nuclear Security Administration (NNSA) to advance design activities for the multiple building, campus approach for the Uranium Processing Facility (UPF). The DMP scope is being performed by Consolidated Nuclear Security, LLC (CNS), herein referenced as “Contractor,” as defined in the UPF Project Execution Plan, UPF Project Execution Plan, PL-PJ-801768-A006, which establishes the formal plan for executing the project.

The DMP scope supports the UPF Project by completing Conceptual, Preliminary, and Final design, which includes all the associated safety basis documents as logical predecessors to establishing Critical Decisions. The DMP scope is best characterized as nuclear and non-nuclear design work, and includes new technologies. The DMP scope shall be managed through the use of the Project’s design management baseline in order to ensure the scope, mission requirements, and schedules are met within the approved Contract Budget Base (CBB), Statement of Work, and Key Performance Parameters (KPPs) required for achieving design completion requirements and critical decisions before construction authorization.

The DMP scope shall support the Enriched Uranium Mission (EUM), with timely, cost effective, high quality deliverables.

2. Purpose

The DMP Fee Structure, herein referenced as “DMP Annex” (Annex 1), is a subset of the overarching Contract, Section J, Appendix B-2, “UPF Fee Plan,” that documents the Performance Objectives and Cost Plus Incentive Fee (CPIF) arrangement, in which DMP performance will be evaluated. The purpose of the DMP Annex is to document the target cost and incentive fee/fixed fee structure, and define how NNSA will determine the final amount of Contractor earned fee, thereby establishing a “contract price” for the DMP scope.

3. Approach

The desired performance of the Contractor is to deliver high quality DMP deliverables (technical requirements) and/or integration support, which will ultimately deliver a UPF fully capable of meeting all DOE/NNSA mission performance, quality, safeguards and security, and environmental, safety, and health contractual requirements.

The desired goal is to properly incentivize the Contractor to deliver DMP scope on/or under budget and on/or ahead of schedule, by establishing a reasonable Target Price, including Cost and Schedule Performance Objectives for meeting the DMP scope.

4. Establishing Annex

The DMP Annex shall be approved and incorporated into the Contract by modification at Section J, Appendix B-2, UPF Fee Plan by the Contracting Officer (CO).

The Government will primarily incentivize the Contractor using the following critical performance objectives, unless otherwise documented in the Annex:

- Cost
- Schedule

By employing these incentives, the Government expects to motivate the Contractor to aggressively manage resources as required in order to provide high-quality and timely completion of authorized scope and integration/support of all DMP deliverables. Eligibility and the amount of the incentive fee earned shall be dependent on the Contractor meeting or exceeding the established performance objectives. Failure to meet any of the established DMP Performance Objectives, Appendix A, may result in the Contractor's forfeiture of incentive fee for that assigned objective or element.

5. Annex Oversight

The Government Oversight Model, Appendix C, describes the approach NNSA will use for conducting surveillance and oversight of DMP Performance Objectives and Contract deliverables, in order to ensure the Contractor delivers high quality products and services that meet the UPF Project requirements. The CO and Contracting Officer's Representatives (CORs), with input from functional area managers, will measure how the key performance objectives of the Contract are met. The purpose of the oversight model is to communicate Government expectations to the Contractor in order to ensure Contract objectives, i.e., final outcomes, are achieved. The CO/COR may notify the Contractor anytime during performance of the Contract to address cost, schedule, and/or performance concerns needing attention.

In order to provide high confidence in the performance baseline and construction start authorizations, major design completion requirements have been extracted from the UPF Plan for Design Reviews Supporting Design Completion PL-EG-801768-A006 for use within the DMP Annex. Design completion requirements used in the DMP Annex shall be consistent with DOE Order 413.3B, Program and Project Management for the Acquisition of Capital Assets and recent DOE and NNSA guidance. Specifically, the design for the nuclear facilities subprojects will be at least 90 percent complete prior to CD-2/3 approval, and the design of the non-nuclear subprojects is required to be sufficiently complete to establish a Performance Baseline (PB).

6. Change Procedures

The DMP Annex may be updated as necessary during Contract performance. These updates may include, but are not limited to, required changes caused by new authorized scope, project phasing, approved target cost change control, and/or establishing/adjusting fee incentives and performance objectives. Any changes shall be codified by a Contract modification within Section J, Appendix B-2, UPF Fee Plan.

All changes, including DMP Baseline Changes, are subject to the thresholds outlined in the UPF Project Execution Plan, PL-PJ-801768-A006, Appendix C.

Appendix A
DMP PERFORMANCE OBJECTIVES

Fee – Summary	
Target Price (P_T), includes available fee	\$943,529,075
Available Fee (F_A), only includes unrealized cost and schedule fee	\$44,929,956
NOTE: The Target Price for DMP includes the Target Cost for work completed and work planned through July 01, 2014 to February 16, 2018, and includes the amount of available fee for this period. NNSA will make a Final Fee Determination after NNSA approval of UPF CD-4 and acceptance of UPF closeout report. Cost and Schedule performance objectives apply to the project requirements being delivered and/or performed under this scope. For the purposes of this negotiated annex, all fee associated to the cost objective is provisional to the end of the project (UPF CD-4), or contract, subject to the final fee determination and Contract modification.	
Cost Objective Elements – 50%	
Target Cost (C_T)	\$898,599,119
Target Fee (F_T)	\$22,464,978
Level 1 Under Target Cost (C_{UT1})	\$878,599,119
Level 1 Under Target Share Ratio (S_{GU1}/S_{CU1})	90/10
Level 2 Under Target Cost (C_{UT2})	\$837,859,764
Level 2 Under Target Share Ratio (S_{GU2}/S_{CU2})	60/40
Maximum Fee (F_{MAX})	\$40,760,720
Level 1 Over Target Cost (C_{OT1})	\$918,599,119
Level 1 Over Target Share Ratio (S_{GO1}/S_{CO1})	90/10
Level 2 Over Target Cost (C_{OT2})	\$939,064,097
Level 2 Over Target Share Ratio (S_{GO2}/S_{CO2})	0/100
Minimum Fee (F_{MIN})	\$0

Schedule Objective Elements - 50%	
Schedule Fee (F_{SM}) Milestones	\$22,464,978
Schedule Fee (F_{SSG}) Stretch Goals *	\$0
* Stretch goal incentives are only available when DMP Actual Costs are $\leq$ Level 1 Over Target Cost (COT1).	

Target Price - Change Log			
Modification	Target Cost	Available Fee	Target Price
Rev 0	\$909,426,000.00	\$45,471,300.00	\$954,897,300.00
Rev 1	\$6,136,108.00	\$306,806.00	\$6,442,914.00
Rev 2	0.00	\$0.00	\$0.00
Rev 3	(\$379,990.00)	(\$19,000.00)	(\$398,990.00)
Rev 4	\$867,517.00	\$43,376.00	\$910,893.00
Rev 5	(\$1,372,012.00)	(\$68,601.00)	(\$1,440,613.00)
Rev 6	(\$3,087,064.00)	(\$154,353.00)	(\$3,241,417.00)
Rev 7	(\$12,991,440.00)	(\$649,572.00)	(\$13,641,012.00)
	\$898,599,119.00	\$44,929,956.00	\$943,529,075.00

Scope – Summary
UPF is being designed to house the necessary capabilities and capacities to comply with the requirements of DOE/ORO-2171, Uranium Processing Facility Project: Replacement of Select Building 9212 Capabilities Subproject at Y-12 National Security Complex Program Requirements Document. Detailed systems requirements are delineated in the Systems Requirements Document for the Uranium Processing Facility Project (SRD) (SR-PE-801768-A001). Design criteria, which govern the overall design of the project, are detailed in the multi-volume Uranium Processing Facility Design Criteria (U) (DE-PE-801768-A001 through A053). See UPF Project Execution Plan, PL-PJ-801768-A006, Section 4.1, Scope Baseline for additional details. NOTE: Major scope elements are identified in the Work Break Down (WBS) section.

Critical Decision (CD) - Summary	
CD-4 Forecasted Approval	4 th QTR FY 2025
Key Performance Parameters, as it relates to design.	
1	Provide the necessary facilities with the appropriate safety and security functions to support the enriched uranium operations.
2	Provide the capability and capacity to conduct enriched uranium casting operations to produce cast uranium metal and alloyed items.
3	Provide the capability and capacity to convert bulk enriched uranium metal and casting residue to enriched uranium oxide.
4	Provide the capability and capacity to manufacture special uranium oxides from enriched uranium feedstock materials including alloys.
5	Provide the capability and capacity to process enriched uranium salvage streams from UPF and existing Y-12 facilities to provide material accountability, convert material to a stable form for storage, and prepare materials for waste distribution.
6	Provide the support operations required to run the processing capabilities (to include process support, maintenance shop, and packaging/shipping).

Schedule Milestones – Deliverable Summary ¹

Deliverable			Submission Date	Approval Date ⁵	Impact Date
PSDR Submittal/PSVR Approval			June 15, 2016	November 10, 2016	November 11, 2016
Earned Value at Milestone	Earned Value at Impact ²	Earned Value at Max Stretch Goal			
\$1,000,000	\$0	N/A			
Definition of Complete: The PSDR submittal shall be suitable for review by having the format and content prescribed by DOE-STD-3009-94. The PSDR approval shall meet the DOE-STD-1189-2008 and shall be approved by the NNSA Safety Basis Approval Authority by issuance of a PSVR such that the Conditions of Approval within the PSVR do not impact the on-time submission and approval of the PDSA. The fee associated with this Earned Value at Milestone is only available until November 10, 2016. NNSA Review Duration: 148 Calendar Days.					

Deliverable			Submission Date	Approval Date ⁵	Impact Date
MEB CD-2/3 Package Submittal and Approval			August 23, 2016	February 13, 2017	March 30, 2017
Earned Value at Milestone	Earned Value at Impact ²	Earned Value at Max Stretch Goal			
\$1,000,000	\$0	N/A			
Definition of Complete: Critical Decision 2 and Critical Decision 3 requirements in Department of Energy Order 413.3B <i>Program and Project Management for the Acquisition of Capital Assets</i> and the Secretarial Policy Memoranda <i>Project Management Policies and Principles</i>, dated June 8, 2015. Verification of completeness shall be performed by a series of reviews including a UPO Sufficiency Review, an Independent Cost Estimate team and an External Independent Review. Critical Decision 2 and Critical Decision 3 approval by the Project Management Executive shall be obtained. The fee associated with this Earned Value at Milestone is only available until March 29, 2017. NNSA Review Duration: 174 Calendar Days.					

Schedule Milestones – Deliverable Summary ¹ (continued)

Deliverable			Submission Date	Approval Date ⁵	Impact Date
CD-3B and CD-3C Long Lead Procurement Packages for Gloveboxes and Skids Submittal and Approval			October 31, 2016	March 30, 2017	June 30, 2017
Earned Value at Milestone	Earned Value at Impact ²	Earned Value at Max Stretch Goal	Approval Delay Reductions (Calendar Days) ⁴		
\$1,000,000	\$0	N/A	\$10,870/day; \$1,000,000 max		

Definition of Complete: Applicable Critical Decision (CD)-2 and CD-3 requirements in Department of Energy Order 413.3B *Program and Project Management for the Acquisition of Capital Assets* and the Secretarial Policy Memoranda *Project Management Policies and Principles*, dated June 8, 2015. Applicability shall be determined in advance by an UPO FPD approved CD-3B and CD-3C Tailoring Strategy. Verification of completeness shall be performed by a series of reviews including a UPO Verification Review, an Independent Cost Estimate team and a NNSA independent review. Critical Decision 3B/3C approval by the Project Management Executive or the Chief Executive of Project Management shall be obtained.

Additional requirements include:

- Complete the design review for all long-lead procurement items, including resolution of all relevant pre-CD submittal comments, in accordance with the UPF Design Review Plan.
- Provide well documented schedule basis by procurement packages, modules and/or commodities for the selection of “long lead” scope that is supported by the project schedule and demonstrates the needed on-site delivery times to support the UPF construction schedule.
- Pursuant to the approved CD-3B/3C Tailoring Strategy, complete Acquisition Plans (APs) or Acquisition Strategy (AS) documents for each major long-lead equipment/material category that describes the basis for the recommended acquisition approach (e.g., design/bid/build, design/build, or other) and subcontracting strategy (e.g., single or multiple awards, Basic Ordering Agreements, firm fixed price, cost plus, or other). The appropriate acquisition documents shall also adequately describe the proposed approach for conducting Factory Acceptance Tests, pre-installation integrated testing, vendor or on-site storage, and preventive maintenance.
- Risk analysis shall thoroughly define risks associated with procurement of each of the major equipment/material categories in advance of completing the final design and establishing a performance baseline. The risk items shall consider the Quality Level, complexity of the item being procured, vendor capabilities, and impact to the overall UPF project cost/schedule if the selected vendor fails to deliver a quality product on time.

The fee associated with this Earned Value at Milestone is reduced daily after March 30, 2017.

NNSA Review Duration: 150 Calendar Days.

Schedule Milestones – Deliverable Summary ¹ (continued)			
Deliverable			Impact Date
PDSA Submittal and SER Approval			December 28, 2017
Earned Value at Milestone	Earned Value at Impact ²	Earned Value at Max Stretch Goal	Approval Acceleration Incentive (Calendar Days) ³
\$2,000,000	\$0	+ \$1,433,620	1-120 days SER Issued by DOE/NNSA: \$11,947/day; \$1,433,620 max
Definition of Complete: The PDSA submittal shall be suitable for review by having the format and content prescribed by DOE-STD-3009-94. The PDSA approval shall meet the DOE-STD-1189-2008 and shall be approved by the NNSA Safety Basis Approval Authority by issuance of an SER such that the Conditions of Approval within the SER do not impact the start of nuclear construction. The fee associated with this Earned Value at Milestone is only available until December 27, 2017. NNSA Review Duration: 152 Calendar Days.			

Deliverable			Impact Date
Microwave Casting Furnace TRL-7 Submittal and Approval			November 30, 2017
Earned Value at Milestone	Earned Value at Impact ²	Earned Value at Max Stretch Goal	Approval Delay Reductions (Calendar Days) ⁴
\$1,153,053	\$0	N/A	\$20,590/day; \$1,153,053 max
Definition of Complete: The Technology Readiness Assessment (TRA) Report submittal, with supporting technical evidence that the TRL-7 Requirements identified in the Microwave Casting Furnace Technology Maturation Plan for achieving TRL-7 have been satisfactorily achieved, shall meet the criteria for content and format as defined in DOE Technology Readiness Assessment Guide 413.3-4A. The TRA Report approval shall meet the DOE Technology Readiness Assessment Guide 413.3-4A and shall be approved by the NNSA Program Secretarial Office by issuance of an approval letter. Pursuant to DMP Annex 1 - Rev 1, conduct the Depleted Uranium testing described in the UPF Microwave Casting Technology Maturation Plan, PL-EX-801768-A006, Rev. 0; UPF Microwave Casting Depleted-Uranium Test Plan PL-EX-801768-A008, Rev. 0; and Baseline Change Proposal 16P159, Depleted Uranium (DU) Testing of Microwave Casting to Demonstrate Technology Readiness 7 Revised. The fee associated with this Earned Value at Milestone is reduced daily after October 5, 2017. NNSA Review Duration: 31 Calendar Days.			

Schedule Milestones – Deliverable Summary ¹ (continued)

Deliverable			Submission Date	Approval Date ⁵	Impact Date
SAB and PSF CD-2/3 Packages Submittal and Approval			September 5, 2017	January 31, 2018	March 30, 2018
Earned Value at Milestone	Earned Value at Impact ²	Earned Value at Max Stretch Goal	Approval Delay Reductions (Calendar Days) ⁴		
\$3,437,000	\$0	N/A	\$59,258/day; \$3,437,000 max		
Definition of Complete: Critical Decision 2 and Critical Decision 3 requirements in Department of Energy Order 413.3B <i>Program and Project Management for the Acquisition of Capital Assets</i> and the Secretarial Policy Memoranda <i>Project Management Policies and Principles</i>, dated June 8, 2015. Verification of completeness shall be performed by a series of reviews including a UPO Sufficiency Review, an Independent Cost Estimate team and an External Independent Review. Critical Decision 2 and Critical Decision 3 approval by the Project Management Executive or Chief Executive for Project Management as appropriate. Additional requirements include: - Processes, procedures and tools are in place and ready to support and oversee nuclear construction. - Procedures necessary to manage nuclear construction are issued and on-board staff have been trained. - Appropriate staffing levels and disciplines are identified, and plans are in place to hire, accommodate badging, office space and equipment, and computer hardware/software that would not hinder successful project execution. - This completion criteria regarding staffing will be verified by the External Independent Review Team in accordance with Department of Energy Guide 413.3-9 U.S. Department of Energy Project Review Guide for Capital Asset Projects (see section 5.4 Approve Start of Construction Review (CD-3), paragraph A(3) Construction/Execution Planning). The fee associated with this Earned Value at Milestone is reduced daily after January 31, 2018. The SAB/PSF CD-2/3 approval is a prerequisite for MPB stretch goal. NNSA Review Duration: 148 Calendar Days.					

Schedule Milestones – Deliverable Summary ¹ (continued)						
Deliverable			Submission Date	Approval Date ⁵	Impact Date	
MPB CD-2/3 Package Submittal and Approval			September 5, 2017	January 31, 2018	March 30, 2018	
Earned Value at Milestone	Earned Value at Impact ²	Earned Value at Max Stretch Goal	Approval Acceleration Incentive (Calendar Days) ³			
\$13,255,200	\$0	+ \$7,166,380 (includes SAB, PSF, and MPB CD-2/3 approval)	\$69,720/day; \$7,166,380 max (all schedule milestones must be completed to achieve stretch goal)			
			Approval Delay Reductions (Calendar Days) ⁴			
			\$229,293/day; \$13,255,200 max			
Definition of Complete: Critical Decision 2 and Critical Decision 3 requirements in Department of Energy Order 413.3B <i>Program and Project Management for the Acquisition of Capital Assets</i> have been completed and verified complete by an Independent Cost Estimate team and an Critical Decision 2 and Critical Decision 3 requirements in Department of Energy Order 413.3B <i>Program and Project Management for the Acquisition of Capital Assets</i> and the Secretarial Policy Memoranda <i>Project Management Policies and Principles</i>, dated June 8, 2015. Verification of completeness shall be performed by a series of reviews including a UPO Sufficiency Review, an Independent Cost Estimate team and an External Independent Review. Critical Decision 2 and Critical Decision 3 approval by the Project Management Executive or Chief Executive for Project Management as appropriate. Additional requirements include: • A non-project expense (NPE) estimate shall be prepared for all UPF scope and included with the UPF CD-2 documentation. This estimate shall be signed by the impacted CNS program owners (funding source; requires CNS coordination with NPO) indicating responsibility for obtaining and providing the funding. • Processes, procedures and tools are in place and ready to support and oversee nuclear construction. ◦ Procedures necessary to manage nuclear construction are issued and on-board staff have been trained. ◦ Appropriate staffing levels and disciplines are identified, and plans are in place to hire, accommodate badging, office space and equipment, and computer hardware/software that would not hinder successful project execution. • This completion criteria regarding staffing will be verified by the External Independent Review Team in accordance with Department of Energy Guide 413.3-9 U.S. Department of Energy Project Review Guide for Capital Asset Projects (see section 5.4 Approve Start of Construction Review (CD-3), paragraph A(3) Construction/Execution Planning). The fee associated with this Earned Value at Milestone is reduced daily after January 31, 2018. NNSA Review Duration: 148 Calendar Days.						

Schedule Milestones – Deliverable Summary ¹ (continued)

NOTES:

1 – Schedule Milestones and Schedule Stretch Goals are tied to deliverable dates and definitions of complete.

2 – Earned Value at Impact (\$0) is achieved on the Impact Date for each milestone for circumstances related and attributable to CNS performance.

3 – Approval Acceleration Incentives are accelerations in achieving Government approval where the acceleration results from early submission of deliverables and/or efficiencies in Government review and approval enabled by the Contractor.

4 – Approval Delay Reductions are delays in achieving Government approval where the delays result from circumstances attributable to CNS performance.

5 – Approval Dates assume high quality deliverables, with no deficiencies (major findings or findings: attributable to significant scope, cost, schedule or safety impacts) that would prevent the project team from executing baseline.

Schedule of Values – Fee Liquidation Schedule ¹						
When Paid	Scope	Cost Objective			Schedule Objective	
		Provisional	Earned	Unliquidated	Provisional	Earned
Annex Signed	DMP Work Completed.	\$5,110,000	-	\$2,191,000	\$7,299,000	-
On Completion	63.0% Design Complete as measured by EPPR (in hours). As per March 2016 plan. ^{3, 4}	\$1,544,000	-	\$661,000	-	-
On Completion	69.6% Design Complete as measured by EPPR (in hours). As per June 2016 plan. ^{3, 4}	\$1,544,000	-	\$661,000	-	-
On Completion	NNSA Acceptance of <u>Preliminary Design Review</u> . As per September 2016 plan. ^{5, 6}	\$1,544,000	-	\$661,000	-	-
On Completion	81.0% Design Complete as measured by EPPR (in hours). As per December 2016 plan. ^{3, 4}	\$1,544,000	-	\$661,000	-	-
On Completion	86.7% Design Complete as measured by EPPR (in hours). As per March 2017 plan. ^{3, 4}	\$1,544,000	-	\$661,000	-	-
On Completion	91.2% Design Complete as measured by EPPR (in hours). As per June 2017 plan. ^{3, 4}	\$1,544,000	-	\$661,000	-	-
On Completion	NNSA Acceptance of <u>Final Design Review</u> . As per September 2017 plan. ^{5, 7}	\$1,552,532	-	\$630,355	-	\$21,688
On Submission	PSDR Submitted for DOE Approval	-	-	-	\$1,000,000	-
On Approval ²	PSVR Issued by DOE	-	-	-	-	\$1,000,000
On Submission	MEB CD-2/3 Package Submitted to DOE for Approval	-	-	-	\$1,000,000	-
On Approval ²	MEB CD-2/3 Package Approved	-	-	-	-	\$1,000,000
On Submission	CD-3B and CD-3C Glovebox and Skid Long Lead Procurements Submitted for DOE Approval	-	-	-	\$1,000,000	-
On Approval ²	CD-3B and CD-3C Glovebox and Skid Long Lead Procurements Approved by DOE	-	-	-	-	\$1,000,000
On Submission	Microwave Casting Furnace TRL-7 Submitted to DOE for Approval	\$153,053	-	-	\$1,153,053	-
On Approval ²	Microwave Casting Furnace TRL-7 Approved by DOE	-	-	-	-	\$1,153,053

Schedule of Values – Fee Liquidation Schedule ¹ (continued)						
When Paid	Scope	Cost Objective			Schedule Objective	
		Provisional	Earned	Unliquidated	Provisional	Earned
On Submission	PDSA Submitted to DOE for Approval				\$2,000,000	-
On Approval ²	SER Issued by DOE				-	\$2,000,000
On Submission	SAB and PSF CD-2/3 Packages Submitted to DOE for Approval	-	-	-	\$3,437,000	-
On Approval ²	SAB and PSF CD-2/3 Packages Approved	-	-	-	-	\$3,437,000
On Submission	MPB CD-2/3 Package Submitted to DOE for Approval	-	-	-	\$5,990,500	-
On Approval ²	MPB CD-2/3 Package Approved	-	-	-	-	\$13,255,200
Journal Correction	Procurement Pool Removal			(\$77,176)	(\$89,789)	(\$77,177)
Journal Correction	DMP Closure			(\$324,786)		(\$324,786)
TBD	Final Fee Determination ⁹	\$16,079,585	UPF CD-4 ⁸	\$6,385,393	\$22,464,978	\$22,464,978
NOTES: 1 – Schedule Milestones and Schedule Stretch Goals are tied to deliverable dates and definitions of complete. 2 – All DOE/NNSA approvals are pursuant to DOE O 413.3B and assume high quality deliverables, with no deficiencies (major findings or findings: attributable to significant scope, cost, schedule or safety impacts) that would prevent the project team from executing baseline. 3 – Percent Design Complete will continue to be calculated in accordance with the method used for reporting percent design complete in the Monthly Project Review. For the provisional cost fee payments scheduled for the quarters ending March 2016, June 2016, December 2016, March 2017 and June 2017, UPO will assess the percent design complete reported. The assessment will consist of a sampling of EPPR gates reported as complete since the last assessment and comparing completed gates with project and design documentation posted in InfoWorks. The assessment will also consist of a sampling of EPPR gates reported as partially complete, and comparing reported gate progress with the remaining duration shown in the forecast schedule. 4 – Percent Design Complete shall be calculated based on engineering hours planned and engineering hours earned as follows: • CNS determined the usable design completed before the July 1, 2014 contract transition is 2,240,626 hours. This value was reviewed and accepted by UPO. This value represents both the engineering hours planned and earned prior to July 1, 2014.						

- The source for CNS engineering hours planned and earned is EPPR.
 - CNS engineering hours planned and earned will include Engineering Management.
 - Vendor design to be completed post March 2018 is not included in the calculation.
 - As a point of reference, for this calculation, the engineering hours planned as of August 2015 month end close is 6,524,834, and the hours earned is 3,295,915, or 50.5% design complete.
 - The Percent Design Complete values on the Fee Liquidation Schedule were taken from January 2016 month end reporting data.
- 5 – For the quarters ending September 2016 and September 2017, the Preliminary Design Review and the Final Design Review conducted by UPO will be used as the assessment for the provisional cost fee payment.
- 6 – **Preliminary Design Completion Milestone - Definition of Complete:** Engineering Deliverables have advance to preliminary design status as specified in UPF Design Review Plan PL-EG-801768-A006. The Preliminary Design Review Assessment has verified and documented the design to meet the Review Plan CRAD's in a Report. Type A Findings shall be resolved or corrected prior to approval of the Preliminary Design Completion Project Milestone per the UPF Design Review Plan PL-EG-801768-A006.
- 7 – **Final Design Completion Milestone - Definition of Complete:** Engineering Deliverables have advanced final design status as specified in UPF Design Review Plan PL-EG-801768-A006. The Final Design Review Assessment has verified and documented the design to meet the Review Plan CRAD's in a Report. Type A Findings shall be resolved or corrected prior to approval of the Final Design Completion Project Milestone per the UPF Design Review Plan PL-EG-801768-A006.
- 8 – NNSA will liquidate the remaining cost objective fee on the last CD-2/3 approval; however, all fee associated with cost objective is provisional to CD-4.
- 9 – NNSA will make a Final Fee Determination after NNSA approval of UPF CD-4 and acceptance of UPF closeout report.

Reporting Requirements	
The Federal Project Director and Contracting Officer, with inputs from other Government personnel, will verify the on time submission of project reports that meet DOE/NNSA requirements contained in the Data Item Descriptions (DIDs). The Government will perform this verification by comparing the DOE/NNSA requirements contained in the following DIDs to the deliverables provided by the Contractor:	
Data Item Description	Title
DID-ENG-0001/T	As-Built Configuration List
DID-ENG-0002/T	As-Built Drawings
DID-ENG-0003/T	Code of Record Document
DID-ENG-0004/T	Conceptual Design Report
DID-ENG-0009	Design Master Record Index
DID-ENG-0010	Facility Design Description
DID-ENG-0012/T	Final Design Review
DID-ENG-0014/T	Interface Control Document
DID-ENG-0015/T	Preliminary Design Report
DID-ENG-0017/T	System Design Description
DIE-ENG-0018/T	Technology Readiness Assessment
DID-ENG-0019/T	Reliability, Availability, Maintainability, and Inspectability
DID-ENG-0020/T	Design Review Plan
DID-ENG-0021/T	Engineering Drawings
DID-ENG-0023/T	Equipment List
DID-ENG-0025/T	Design Change Control Plan
DID-ENG-0026	Request for Deviation (Request for Variance)

OT-ENG-1027	Design Criteria
OT-ENG-1028	Engineering Execution Plan
OT-ENG-1029	Material & Energy Balance Design Analysis Calculations
OT-ENG-1030	Process Narratives
OT-ENG-1031	Scope of Facilities
OT-ENG-1032	System Requirement Document
OT-ENG-1003	Other Basis Records
DID-PM-0001/T	Document of Trend Board/Change Control Board Meetings
DID-PM-0002/T	Configuration Management Document Pick List
DID-PM-0003	Configuration Management Plan
DID-PM-0004/T	Project Completion Verification
DID-PM-0005	Document Control Plan
DID-PM-0006/T	Earned Value Management (EVM) Plan
DID-PM-0008	Long Lead Items List
DID-PM-0009	Systems Engineering Management Plan
DID-PM-0010	Procurement Plan
DID-PM-0011/T	Project Acquisition Plan
DID-PM-0012	Project Execution Plan
DID-PM-0013/T	Project Management Plan
DID-PM-0014/T	Project Performance Baseline Control Plan
DID-PM-0015/T	Records Management Plan
DID-PM-0016/T	Requirements Management Plan

DID-PM-0017/T	Risk Analysis Report
DID-PM-0018/T	Risk Management Plan
DID-PM-0019/T	Risk Register
DID-PM-0022/T	Work Breakdown Structure and WBS Dictionary
DID-PM-0023/T	Critical Path Schedule
DID-PM-0024	Fixed Price Contract Milestone & Schedule Status Report
DID-PM-0026/T	Monthly Project Report
DID-PM-0027/T	Resource Loaded Schedule
DID-PM-0028	Statement of Work
DID-PM-0029/T	Total Project Cost
DID-PM-0030/T	Emergency Management Plan
DID-PM-0031/T	Quality Assurance Plan
OT-PM-1031	Contractor Assurance System
DID-PM-0032	Technology Maturation Plan
DID-PM-0033/T	Value Engineering Plan
OT-PM-1033	Value Engineering Program Status Report
DID-PM-0034	Communications Management Plan
DID-PM-0035/T	Project Funding Requirements Profile
DID-PM-0036/T	Federal Project Director Monthly Project Review
DID-PM-0037/T	Data Management Plan
DID-PM-0039/T	Master Document List
DID-PM-0040/T	Life Cycle Cost

DID-PM-0041/T	Project Closeout Report
DID-PRG-0001	Checkout, Testing, and Operations Acceptance
DID-PRG-0003/T	Key Performance Parameters
DID-PRG-0004/T	Key Project Assumptions
DID-PRG-0005	Operations and Maintenance Configuration Management
DID-PRG-0006/T	Performance Baseline Development Plan
DID-PRG-0009/T	Transition to Operations Plan
DID-PRG-0011	Program Requirements Document
DID-PRG-0014/T	Analysis of Acquisition Alternatives
DID-PRG-0015/T	Project Master Schedule
DID-PRG-0016	Performance Work Statement
DID-PRG-0017	Contract Data Requirements List
DID-PRG-0019/T	Project Data Sheet
DID-PRG-0020/T	Contracting Strategy Analysis
DID-PRG-0021	Monthly Status PARS II Report
DID-PRG-0022/T	Integrated Program Management Report (IPMR)
DID-SAF-0001	Conceptual Safety Design Report
DID-SAF-0003	Operational Readiness Review Implementation Plan
DID-SAF-0004	Final Hazards Analysis Report
DID-SAF-0005	Hazardous Analysis Report
DID-SAF-0006	Preliminary Documented Safety Analysis
DID-SAF-0007	Preliminary Hazards Analysis

DID-SAF-0008	Preliminary Safety Design Report
DID-SAF-0009	Safety Design Strategy
DID-SAF-0010	Technical Safety Requirements
DID-SAF-0011	Documented Safety Analysis
DID-SAF-0012/T	Readiness to Proceed (RTP) Memorandum
DID-SAF-0013/T	Contractor Operational Readiness Review Plan of Action
DID-SAF-0014/T	Integrated Safety Management Plan
DID-SAF-0015	Safety Design Control Plan
DID-SAF-0016	Fire Hazards Analysis
DID-SAF-0017/T	Occurrence Report
DID-SAF-0018/T	Lessons Learned Report
DID-SAF-0019/T	Occupational Safety Plan and Reporting
OT-ADM-1001	Conference Minutes
DID-SEC-0001/T	Final Security Vulnerability Assessment
DID-SEC-0002/T	Preliminary Security Vulnerability Assessment
DID-SEC-0003/T	Security Plan
DID-SEC-0004/T	Safeguards and Security Requirements
OT-SEC-1006/T	Comprehensive Emergency Management System
DID-ITS-0001	Information Technology Management Plan
DID-EPC-0001	Environmental Compliance Strategy
DID-EPC-0002	Environmental Management System Documentation
DID-EPC-0003	Final NEPA Documentation

DID-EPC-0004	NEPA Compliance Strategy
DID-CST-0001/T	Pre-Construction (Site Preparation) Plan
DID-CST-0002/T	Construction Management Plan
DID-CST-0003/T	Construction Work Authorization Plan
DID-CST-0004/T	Construction Safety Plan
OT-CST-1005	Daily Construction Progress Report
OT-CST-1006	Weekly Construction Working Schedules
	Monthly Project Briefing Package to NA-APM
	Monthly Labor Charges Report
	Weekly Status Report

APPENDIX B

COST PLUS INCENTIVE FEE (CPIF) MODEL/GRAPH

DMP Incentive Fee - Terms

The Government will use the following CPIF Model terms for DMP fee calculation.

P_T = Target Price // Estimated Target Price (\$) if all available fee earned.

F_A = Available Fee // Combined unrealized Target Fee and Schedule Fee (\$).

C_T = Target Cost // Negotiated Target Cost (\$).

F_T = Target Fee // Negotiated Target Fee (\$).

F_{SM} = Schedule Fee Milestones // Schedule Fee Milestones (\$).

F_{SSG} = Schedule Fee Stretch Goals // Schedule Fee Stretch Goals (\$).

F_{MAX} = Maximum Fee // Maximum Fee (\$) realized for Level 2 Under Target Cost.

F_{MIN} = Minimum Fee // Minimum Fee (\$) realized for Level 2 Over Target Cost.

Level 1 Under Target Cost (C_{UT1}) // Actual Costs (\$) before L1- Fee realized.

Level 2 Under Target Cost (C_{UT2}) // Actual Costs (\$) when Maximum Fee realized.

Level 1 Over Target Cost (C_{OT1}) // Actual Costs (\$) before L1+ Fee realized.

Level 2 Over Target Cost (C_{OT2}) // Actual Costs (\$) when Minimum Fee realized.

C_{TAC} = Total Allowable Cost // Actual Cost (\$) the Contractor can claim.

F_{TA1} = Target Fee Adjustment // Calculated Level 1 Adjustment (\$) for Under/Over.

F_{TA2} = Target Fee Adjustment // Calculated Level 2 Adjustment (\$) for Under/Over.

F_{ATF} = Adjusted Target Fee // Calculated Fee Adjustment (\$) applied to Target Fee.

F_{AFF} = Adjusted Final Fee * // Calculated Fee Adjustment (\$) for Schedule.

P_C = Contract Price ** // Calculated Contract Price (\$) after Final Fee applied.

* Final fee calculations, minus any adjustments, will be made using Government CPIF model.

** Earned fee rules and adjustments apply in determining final Contract Price.

Share Ratios: Government Under/Over Target Shares, expressed as the Government percentage share of cost risk over the Contractor percentage share of cost risk.

Under Target Share = S_{GU}/S_{CU} // Government Share (%)/Contractor Share (%).

Over Target Share = S_{GO}/S_{CO} // Government Share (%)/Contractor Share (%).

Level 1 Under Target Share Ratio (S_{GU1}/S_{CU1}) // Level 1 Under Target Share Ratio

Level 1 Over Target Share Ratio (S_{GO1}/S_{CO1}) // Level 1 Over Target Share Ratio

Level 2 Under Target Share Ratio (S_{GU2}/S_{CU2}) // Level 2 Under Target Share Ratio

Level 2 Over Target Share Ratio (S_{GO2}/S_{CO2}) // Level 2 Over Target Share Ratio

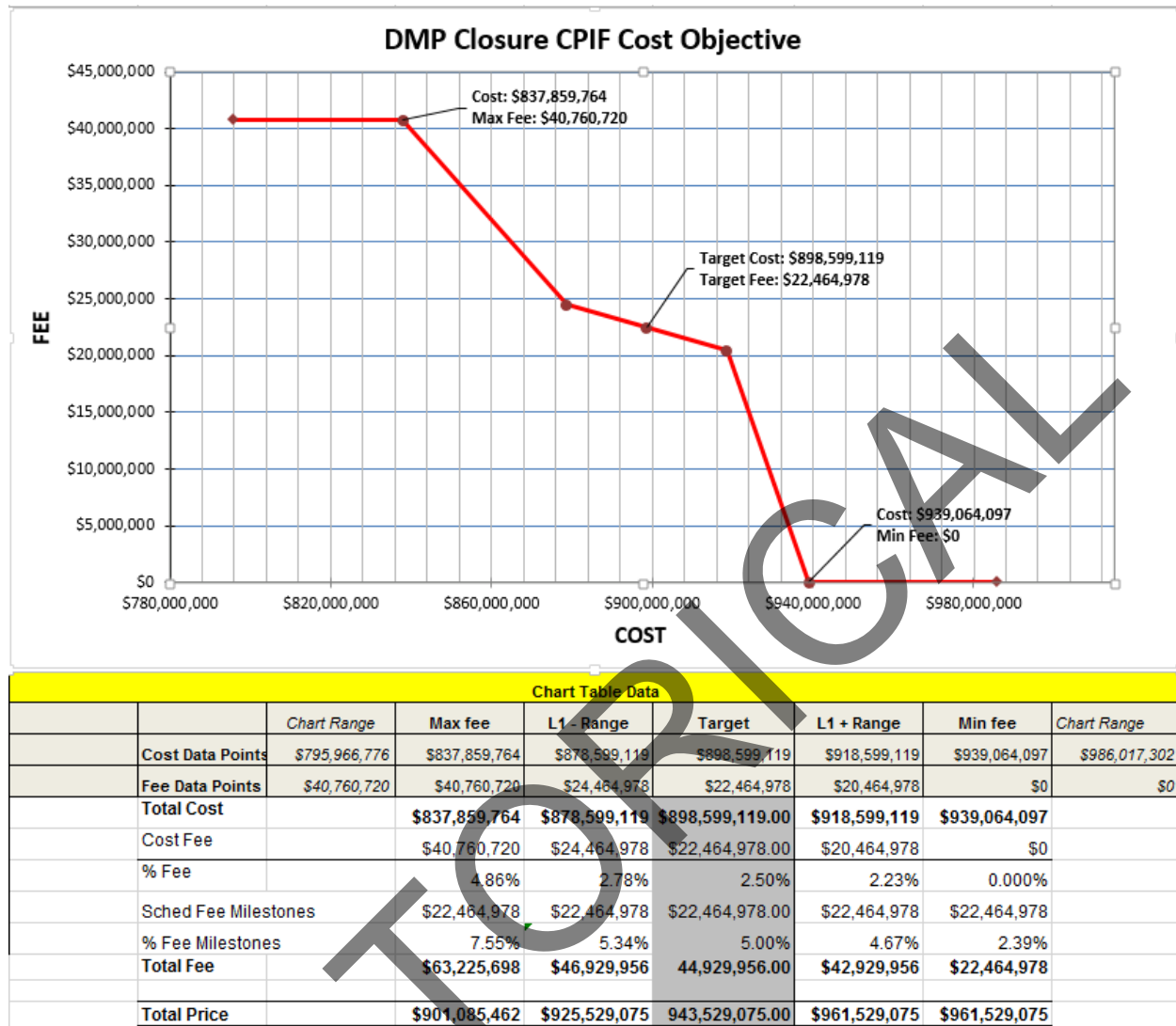


Figure 1: DMP CPIF Cost Objective Graph

APPENDIX C

GOVERNMENT OVERSIGHT MODEL

Cost Objective: The Government will oversee Cost Performance by verifying the Contractor's approved baseline data to ensure mission commitments are met with timely, high quality deliverables, in accordance with DOE Order 413.3B and ANSI/EIA-748B, or as defined in Contract. The Government's purview of the Contractor's project management responsibility related to Cost Objective includes, but not limited to:

- Complete authorized scope in accordance with the approved Performance Measurement Baseline; provide timely project reporting.
- Manage a deliverable-based Work Breakdown Structure (WBS); cost control accounts, work packages and planning packages consistent with WBS/scope.
- Use established DOE earned value methods, measure work accomplishment, and assess project performance; perform variance analysis to identify, correct, and report problems; and regularly evaluate Estimates at Completion (EAC).
- Expend funds and resources that optimally provide the maximum benefit to the Government; perform proactive and effective subcontract management oversight of subcontractors to ensure effective cost performance controls.
- Maintain the total cost under configuration control to ensure impacts of design evolution on procurement, construction, and commissioning are managed effectively; ensure retroactive adjustments to the baseline are not allowed.
- Produce cost estimates compliant to the GAO Best Practices for Developing and Managing Capital Costs Guide and DOE G 413.3-21, Cost Estimating Guide; consider life cycle cost when evaluating proposed project changes.
- Demonstrate effective procurement and subcontract management oversight by driving costs down through competition, making best use of tier two subcontracting opportunities, including maximizing use of fixed price subcontracts and small business participation.
- Establish and maintain a project organization that implements a disciplined conduct of business, EPC commercial best practices, contract management, systems, processes, and procedures in accordance with applicable DOE directives and project requirements.
- Execute quality work products with minimal rework, e.g., designs, specifications, plans, procurement, construction, testing, and commissioning; demonstration of implementation of an approved DOE O 414.1D Quality Program.
- Identify, quantify and mitigate technical, programmatic, schedule, and cost risks.

APPENDIX C - Continued

Schedule Objective: The Government will oversee Schedule Performance by verifying the Contractor's Integrated Master Schedule (IMS) data to ensure mission commitments are met with timely, high quality deliverables, in accordance with Part III-Section J, Appendix, Appendix N, DOE Order 413.3B and ANSI/EIA-748B, or as defined in Contract. The Government's purview of the Contractor's project management responsibility related to Schedule Objective includes, but not limited to:

- Execute scope in accordance with NNSA approved Project Execution Plans.
- Manage an IMS to support project management, implementation and control; include the total scope of baselined work and identify Work Breakdown Structure (WBS) elements for all activities and milestones; identify interdependencies between project activities/milestones to reflect a credible, logical project sequence; activity durations which are reasonable, measureable, and appropriately detailed for effective management; appropriate activity and resource calendars are employed.
- Baseline the IMS and control the content using the project change control board processes; maintain current project status and credible start/finish forecasts for all to-go tasks and milestones; include project and management controls milestones (e.g., critical decisions, major design reviews, and technology, procurement, construction, testing, and commissioning); incorporate labor, material and equipment resources and ensure reasonable/available.
- Manage a credible critical path as determined by the calculated IMS logic network; ensure adequate schedule margin has been included and clearly defined; ensure the number of lags/leads and activity constraints is reasonable. Incorporate subcontracted activity into schedule/critical path to ensure visibility to the Government.
- Compliance with all applicable environmental, safety, and security requirements. No formal notices of violation or similar citations from a Federal, State, or local regulatory agency; excellent safety DART/TRC rates; no safeguards and security incidents.
- Minimize construction down times; delays to construction activities are minimal, and all delays are proactively identified, tracked, analyzed for patterns, evaluated for quick resolution, and reported expeditiously to CO/FPD.
- Support USACE construction in accordance with NNSA approved Execution Plans and Procedure UPO-95-A026, Interfaces Between UPO, M&O and USACE for UPF Construction.
- Design and engineering products, including material and equipment, shall have the necessary technical and constructability (fabrication) quality to accomplish procurement, fabrication and construction expeditiously without major problems or delays (Title II).
- Provide Resident Engineering representation as directed to support Construction

and oversee the design's intent and requirements; exceptions are rare to non-existent without problems or delays (Title III).

- Perform pre-award/award/post-award, surveillance/oversight functions to support and/or accomplish requirements. Proper source/destination inspection and acceptance provisions are Government special interest items to ensure receipt of quality subcontracted products/materials.
- Identify, quantify and mitigate project schedule risks; perform schedule risk assessments to predict the probability of completing on time.

TORICAL

Uranium Processing Facility (UPF)

UPF FEE PLAN

Contract No. DE-NA0001942

With

Consolidated Nuclear Security, LLC (CNS)



Date

Brian P. Reilly
UPF Project Director
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Date

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Revision Log

Revision	Date	Description	Total Pages	Affected Pages
0	November 3, 2015	Initial issue.	Front matter, i–ii Body, 1–6; Appendix A; Appendix B.	All
1	September 1, 2016	Added language for CO timeframe on Contractor earned fee requests.	Front matter, i–ii Body, 1–6; Appendix A, 1-3; Appendix B, 1.	6

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1. Introduction

The Uranium Processing Facility (UPF) project, herein referenced as “Project,” is a major capital asset line item project for the United States Department of Energy (DOE), at the Y-12 National Security Complex in Oak Ridge, Tennessee, and is overseen by the National Nuclear Security Administration (NNSA) under the Office of Acquisition and Project Management (NA-APM).

The Project is being managed under the Cost Reimbursement Management and Operations (M&O) Contract No. DE-NA0001942, Contract Line Item Number (CLIN) 0002 - UPF Project Management, with Consolidated Nuclear Security, LLC (CNS), herein referenced as “Contractor,” pursuant to the terms and conditions of the subject prime contract, including any special contract requirements, herein referenced as “Contract.”

Under the terms and conditions of the Contract, the incentive fee associated to CLIN 0002 is separate and severable from all other fee provisions set forth in the Contract, so a separate and severable fee plan shall be maintained for the entire performance of the Project. Any Project scope allocated between the Contractor and NNSA Direct scope will be managed through the Baseline Change Proposal (BCP) process and authorized via Work Authorization and Contract modification when moving scope and/or funding.

2. Purpose

The UPF Fee Plan, herein referenced as “Plan,” documents the base fee structure and implementation of fee provisions in which Project performance will be evaluated and upon which NNSA will determine the amount of Contractor provisional and earned fee.

The purpose of the Plan is to document the performance objectives and incentive provisions of the Contract, as well as the approach, procedures, and metrics the Government will use to administer the Plan. The desired behavior of the Contractor is to deliver high quality products and services (technical requirements), within the approved Performance Measurement Baseline (PMB), cost and schedule, which will ultimately deliver a UPF fully capable of meeting all DOE/NNSA mission performance, quality, safeguards and security, and environmental, safety, and health contractual requirements.

The Plan replaces the standard NNSA-corporate strategic governance and oversight model for typical standalone M&O contracts, with a framework that utilizes the NA-APM construct (DOE O 413.3B, *Program and Project Management for the Acquisition of Capital Assets*) for managing major capital asset projects under an M&O contract.

The Plan will cover all CNS authorized Project scope, including Work Authorizations and Authorized Unpriced Work. The Project scope is broken out by Design Management Plan (DMP), and Construction Management (CM) subprojects, which will be measured in accordance with the oversight methods of the Contract, or as defined in the Plan.

3. Approach

The approach for the Plan is to have a fee structure that will appropriately motivate Contractor performance while reducing Government risk through the use of Performance Objectives and Cost Plus Incentive Fee (CPIF) arrangements.

The goal of the Plan and fee structure is to incentivize the Contractor to deliver the Project on time and on budget, with a facility that meets all of the contractual requirements. Therefore, an element of the fee structure is the Contractor's demonstrated performance in completing Contract deliverables that comply with DOE O 413.3B, including, but not limited to: Statement of Work, Program Requirements Document (PRD), Systems Requirements Document (SRD), Contract Data Requirements List (CDRL)/Data Item Descriptions (DID), and all other applicable DOE Orders, Standards, and Contractor Requirements Documents, as set forth in the Contract.

In order to provide a balanced fee structure, the Plan may include a mix of incentive provisions for meeting discrete Project scope.

4. Establishing Plan

The Contracting Officer (CO) must ensure that the cost and fee structure is commensurate with the Critical Decision (CD) phase and performance risks, as it pertains to DOE guidelines, limitations, and factors for determining fees.

Pursuant to DOE O 413.3B (Appendix C, Page C-3)(3), the Performance Baseline (PB) is established at CD-2, which marks the completion of preliminary design. The PB represents NNSA's commitment to Congress for delivering the Project's defined scope by a particular date at a specific cost, with the exception of any separately approved subprojects and long lead procurements, as applicable. Cost estimates for the DMP in advance of CD-2 do not represent finite commitments, and therefore need to be managed differently.

The Plan includes a separate exhibit, herein referenced as "Annex," for establishing the negotiated fee structure and performance objectives for each discrete scope of work. In order for the CO to determine the proposed costs are fair and reasonable, the Contractor shall provide a cost/schedule baseline proposal in sufficient detail for the Government to perform the appropriate price/cost analysis. Pursuant to FAR 15.404-1(b), the Government may use various price analysis techniques to definitize the negotiated target cost and target fee structure in the Contract.

Prior to CD-2 approval, the Government will manage authorized scope, whether definitized or undefinitized through the use of Work Authorizations or Limitations of Costs constraints via letters of direction. Additionally, the Government may opt to use the DMP baselines and/or estimated cost/schedule baseline(s) for subprojects for performance purposes until annexes are established.

5. Plan Oversight

The Contractor is responsible for Project management, and the quality level required to meet the Project's technical requirements, deliverables, and terms and conditions of the Contract.

The Plan will be monitored by the Government through an "open book" assessment of the Contractor's technical, cost, and schedule data, which includes the Government's own evaluation of costs, fee, and Earned Value Management Systems (EVMS) metrics, as well as oversight across all functional areas, including, but not limited to: Safeguards and Security; Quality Assurance; Project Management; Integrated Project Schedule and EVMS; Engineering, Procurement & Subcontract Management, and Construction (Processes, Procedures, and Systems); Environmental, Safety, and Health; Technology Development; and Business and Contract Management.

Each Annex will have an oversight section that describes the approach the Government will use for conducting performance objective oversight to ensure the Contractor delivers high quality products and services that meet the Project requirements. The Contracting Officer's Representatives (CORs), with input from functional area managers, will use the Annexes to measure how the key performance objectives of the Contract are met. The role of the Government oversight model is to ensure Contract objectives are achieved. The CO may notify the Contractor anytime during performance of the Contract to address cost, schedule, and/or performance concerns needing attention.

6. Change Procedures

The Plan and Annexes shall be approved and incorporated into the Contract by modification at Section J, Appendix B-2, UPF Fee Plan by the CO. The Plan and Annexes will be updated as necessary during Contract performance. These updates may include, but are not limited to, required changes caused by new authorized scope, CO/COR direction, project phasing, change control, and/or establishing/adjusting cost incentives and performance objectives. Any changes to the Plan and Annexes shall be codified by a Contract modification.

7. Programmatic and Contractual Terminology Clarifications

a. Project Changes vs. Contract Changes

Project Changes: Pursuant to DOE O 413.3B (A-21)(6e) the Contractor, Federal Project Director (FPD), and Project Management Executive (PME) use approved BCPs to change the estimated or approved PB and PMB of the Project, based on change control approval thresholds. However, these baseline changes do not change the Contract.

Contract Changes: The CO is the only individual who has the authority to issue Contract changes and modifications; and only when they comply with regulatory and statutory requirements in accordance with the changes clause of the Contract. Part II - Section I, Sub-Section I-2, DEAR 970.5243-1, *Changes* (Dec 2000). Thus, the Contractor shall coordinate with the CO to identify any specific Contract changes that may be required as the result of a BCP, prior to submitting for approval.

b. Contingency

Pursuant to DOE Acquisition Letter AL 2009-01, when establishing the negotiated pricing and fee structure for each Annex, only the Contractor's controlled and proposed contingency costs, i.e., Management Reserve (MR), consistent with FAR 31.205-7(c)(1) shall be allowed and included in the overall cost against which fee is calculated – "those that may arise from presently known and existing conditions, the effects of which are foreseeable within reasonable limits of accuracy; e.g., anticipated costs of rejects or defective work."

However, the Contractor has the burden of proof in demonstrating its proposed costs, including any Contractor controlled contingency costs, are reasonable, allocable, and allowable.

c. Contract Price

Pursuant to DOE O 413.3B and DOE G 413.3-10, *Earned Value Management System (EVMS)(Appendix B)*, the following information is provided to ensure clarity of terms used in the Plan.

- a. Contract Price (CP), a performance measurement term, represents Contract Budget Base (CBB) plus fee/profit, or $CP = CBB + \text{profit/fee}$.
- b. CBB, a performance measurement term, includes all the authorized work, i.e., Negotiated Contract Cost (NCC) plus any Authorized Unpriced Work (AUW), from which the PMB is derived. However, CBB excludes Government contingency, other DOE direct costs, and any fee/profit. $CBB = PMB + MR$.
- c. PMB, a project management and performance measurement term, represents an element of CBB, but by itself excludes MR (Contractor held contingency) and any fee/profit.
- d. The Contract Estimated Price on Contract, a contractual term, represents the Governments estimated costs or negotiated costs of authorized priced scope, including any earned fee or allowable contingency costs, shown as a limitation of costs constraint under Cost Reimbursement contracts. Any changes that affect the Contract price on Contract shall be definitized by a modification to Contract, Section B, CLIN 0002 by the Contracting Officer.

8. Provisional Fee

Pursuant to DOE Acquisition Letter AL 2014-02, provisional payment of fee is paid to the Contractor for progress towards meeting performance objectives *before* the Contractor has earned the available fee. Therefore, provisional payment of fee is 100% at risk until earned.

The Contractor may request provisional fee payments on established Annexes, or as otherwise authorized by the CO, however, these requests shall be made no more frequently than “quarterly” and in writing to the CO. The amount of each provisional fee payment will be directly and expressly linked to the Contractor’s demonstrated and continued performance towards earning fee. The Contractor’s request shall summarize the basis for the amount of provisional fee requested. Each successive provisional fee payment, if any, shall reflect the Contractor’s cumulative performance to date.

The CO’s evaluation of provisional fee requests shall rely on the Contractor’s ability to clearly demonstrate satisfactory progress and/or completion of discrete scopes of work against the budgeted value of work actually accomplished for each Annex. Other inputs may include, but are not limited to, routine and un-scheduled site visits, inspections, assessments, and peer reviews. The CO will notify the Contractor in writing within 30 calendar days from receipt of request outlining the amount of approved provisional fee that can be drawn down from the letter of credit.

The CO, with coordination from NNSA HQs, will monitor performance to determine if the Contractor has met the requirements under which the Government will pay provisional fee to the Contractor, as well as any adjustments to the cumulative amount of provisional fee already paid.

In the event the CO determines the Contractor has over drawn provisionally paid fee, the Contractor shall return that provisionally paid fee to the Government within 60 calendar days of notification:

- The Contractor’s obligation to return the provisionally paid fee is independent of its intent to dispute, and/or its disputing the CO determination in accordance with the disputes clause of the Contract. Part II - Section I, Sub-Section I-1, FAR 52.233-1, *Disputes, Alternate I* (Dec 1991)(Jul 2002); and
- If the Contractor fails to return the provisionally paid fee within 60 calendar days of the CO notification, the Government, in addition to all other rights that accrue to the Government, may withhold/deduct the amount of the provisionally paid fee from amounts the Government would otherwise authorize the Contractor to draw down under a Letter of Credit, or any other Contractor owed obligation.

9. Earned Fee

Earned fee is due the Contractor by virtue of its meeting the stated performance objectives of the Plan, Annexes, and Contract requirements entitling it to fee.

For the purposes of this Plan:

- All fee is 100% at risk until earned;
- Contractor performance objectives will be primarily measured against Cost 50% and Schedule 50%, with the flexibility for adjusting percentage split or adding other performance objectives to negotiated annexes based on scope and risk.
- All negotiated fee associated with cost performance objectives shall be provisional through the end of the project and/or contract, as spelled out in each Annex;
- Maximum fee will be > 5%, based on negotiated target cost and target fee share lines;
- How and when fee is earned will be negotiated and captured in each Annex; and,
- All fee is subject to the terms and conditions of the Contract, including any special contract requirements.
- The CO will notify the Contractor in writing within 45 calendar days or as mutually agreed between the parties, from receipt of an acceptable request outlining the amount of approved earned fee that can be drawn down from the letter of credit.

10. Incentive Fee Structure

The Government will bilaterally establish the incentive fee structure under the Plan by negotiating each discrete element of scope and incorporating the agreement, i.e., Annex, into the Contract via modification. However, the Government is under no obligation to pay provisional or earned fee without an approved Plan with agreed to Annexes.

The creation of each Annex and establishment of performance objectives, target cost, target fee, share lines, and maximum/minimum fee will be the result of several variable factors, including:

- The Government's price objective; and
- The Contractor's price objective.

It is anticipated that each Annex may contain a cost incentive, schedule incentive, and other applicable performance objectives. It is anticipated that some scope may require a deeper analysis of the reasonableness of and necessity for all costs incurred, risks, and the relative effectiveness of the Contractor's management and overall performance. Regardless, the Government's objective is the same, to negotiate and definitize a reasonable price and fee structure with the Contractor. The final fee determination shall be made by the Government using the criteria and/or conditions contained in the annexes.

APPENDIX A

FEE PLAN TERMINOLOGY

Refer to DOE O 413.3B, *Program and Project Management for the Acquisition of Capital Assets* and DOE G 413.3-10, *Earned Value Management System (EVMS)* for additional terms related to EVMS managed Projects. Additional terms may be added as Annexes are developed.

Actual Cost – the reasonable costs that the Contractor can claim, i.e., reasonable, allowable, and allocable.

Annex – the method for capturing the negotiated fee structure, performance objectives, and oversight for each discrete scope of work.

Authorized Unpriced Work (AUW) – is contractually approved scope, i.e., approved baseline changes, but not yet negotiated or definitized on Contract.

Baseline – A quantitative definition of cost, schedule and technical performance that serves as a base or standard for measurement and control during the performance of an effort; the established plan against which the status of resources and the effort of the overall projects are measured, assessed and controlled.

Baseline Change Proposal – A document that provides a complete description of a proposed change to an approved performance baseline, including the resulting impacts on the project scope, schedule, design, methods, and cost baselines.

Earned Value – The budgeted value of work actually accomplished in a given time. Simply defined, Earned Value represents the value of work accomplished during the period.

Earned Value Management – A project performance method that utilizes an integrated set of performance measurements (e.g., scope, cost and schedule) to assess and measure project performance and progress, and estimate cost and schedule impacts at completion.

Earned Value Management System – An integrated set of policies, procedures and practices to objectively track true performance on a project. EVMS represents an integration methodology that is able to provide an early warning of performance problems while enhancing leadership decisions for successful corrective action.

Fee Plan – Captures the fee strategy. The base plan details the processes and procedures for implementing the fee structure and methodology of developing annexes for evaluating the contractor's performance.

Final Fee – The amount of fee owed to the Contractor, which includes adjustments for Contractor underruns, overruns or other performance objective fee adjustments.

Maximum Fee – The highest fee that may be earned, usually expressed as a percentage, but translated into a fixed dollar amount.

Minimum Fee – The lowest fee that may be earned, usually expressed as a percentage, but translated into a fixed dollar amount.

Other NNSA Direct Costs – Refers to scope being performed by someone other than the M&O Contractor, e.g. the United States Army Corps of Engineers (USACE), but included in the Projects PB and TPC.

Other Project Costs (OPC) – All other costs related to a project that are not included in the Total Estimated Cost (TEC).

Performance Baseline (PB) – The collective key performance, scope, cost, and schedule parameters, which are defined for all projects or subprojects at CD-2. The PB includes the entire project budget (TPC including fee and contingency) and represents DOE's commitment to Congress.

Performance Measurement Baseline (PMB) – The baseline cost that encompasses all contractor project work packages and planning packages, derived from summing all the costs from the Work Breakdown Structure. Undistributed management reserve, contingency, profit, fee and DOE direct costs are not part of the PMB. The PMB is the benchmark used within EVM systems to monitor project (and contract) execution performance.

Performance Objectives – The objective of incentive contracts is to motivate contractors to earn more compensation by achieving better performance objectives (cost, schedule, and/or technical); to better control costs and performance.

Range of Incentive Effectiveness (RIE) – RIE is a judgment of the range of probable costs and not an estimate of the range of possible costs above or below that range. Thus, RIE is the byproduct of cost analysis, and the conclusion reached after fact-finding, negotiations, and analysis of cost projections. The RIE is that conclusion translated into target cost/fee, share lines, and maximum/minimum fee dollars.

Share Line (Ratio) – The agreed upon cost sharing proportion, normally expressed in percentage, which is often different for cost overruns and cost underruns.

Target Cost – The estimated total contract cost for a subject Annex. The Target Cost will represent the point in the range of possible costs which both parties to the Contract agree is the “most probable.” The RIE sets the range of what Contract costs are likely to be, expressed in terms of most pessimistic to most optimistic.

Target Fee – The estimated fee for a subject Annex. The Target Fee is the amount of fee to be paid if the Target Cost matches the Actual Cost. The Target Fee will

represent the point in the range of possible fees which both parties to the Contract agree is the “most probable.” The RIE sets the range of what Contract fees are likely to be, expressed in terms of most pessimistic to most optimistic.

Total Estimated Cost – All engineering design costs, facility construction costs and other costs specifically related to those construction efforts.

Total Project Cost – All costs between CD-0 and CD-4 specific to a project incurred through the startup of a facility, but prior to the operation of the facility. Thus, TPC includes TEC plus OPC.

Variances – A measurable change from a known standard or baseline. It is the difference between what is expected and what is actually accomplished. A variance is a deviation or departure from the approved scope, cost or schedule performance. Variances are expected, but the Contractor’s potential of earned fee is directly related to the final variances.

Work Breakdown Structure – Used by the project management team to organize and define a project into manageable objectives and create a blueprint by which the steps leading to the completion of a project are obtained.

APPENDIX B

CPIF STRUCTURE COMPONENTS

CPIF Structure Components

The following CPIF structure component definitions will be used for developing the share line formulas in each Annex for calculating final fee. This structure forms the basis for the Plans incentive arrangement and sharing of risks between the Government and the Contractor regardless of the use of a single or multi-level share line model.

C_T = Target Cost // Negotiated Target Cost (\$).

C_{TAC} = Total Allowable Cost // Actual Cost (\$) the Contractor can claim.

F_T = Target Fee // Negotiated Target Fee (\$).

F_{MAX} = Maximum Fee // Maximum Fee (\$) > Target Fee, but within statutory range.

F_{MIN} = Minimum Fee // Minimum Fee (\$) < Target Fee, but not < Zero.

F_{ATF} = Adjusted Target Fee // Calculated Fee amount (\$) after share line(s) applied.

F_{AFF} = Adjusted Final Fee // Calculated Fee amount (\$) after adjustments applied.

C_{TAP} = Total Adjusted Price // Calculated Contract Price (\$) after Fee applied.

Share Ratios: Government Under/Over Target Shares, expressed as the Government percentage share of cost risk over the Contractor percentage share of cost risk.

Under Target Share = S_{GU}/S_{CU} // Government Share (%) / Contractor Share (%).

Over Target Share = S_{GO}/S_{CO} // Government Share (%) / Contractor Share (%).

Uranium Processing Facility (UPF)

UPF FEE PLAN

Contract No. DE-NA0001942

With

Consolidated Nuclear Security, LLC (CNS)



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Revision Log

Revision	Date	Description	Total Pages	Affected Pages
0	November 3, 2015	Initial issue.	Front matter, i–ii Body, 1–6; Appendix A; Appendix B.	All
1	September 1, 2016	Added language for CO timeframe on Contractor earned fee requests.	Front matter, i–ii Body, 1–6; Appendix A, 1–3; Appendix B, 1.	6

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1. Introduction

The Uranium Processing Facility (UPF) project, herein referenced as “Project,” is a major capital asset line item project for the United States Department of Energy (DOE), at the Y-12 National Security Complex in Oak Ridge, Tennessee, and is overseen by the National Nuclear Security Administration (NNSA) under the Office of Acquisition and Project Management (NA-APM).

The Project is being managed under the Cost Reimbursement Management and Operations (M&O) Contract No. DE-NA0001942, Contract Line Item Number (CLIN) 0002 - UPF Project Management, with Consolidated Nuclear Security, LLC (CNS), herein referenced as “Contractor,” pursuant to the terms and conditions of the subject prime contract, including any special contract requirements, herein referenced as “Contract.”

Under the terms and conditions of the Contract, the incentive fee associated to CLIN 0002 is separate and severable from all other fee provisions set forth in the Contract, so a separate and severable fee plan shall be maintained for the entire performance of the Project. Any Project scope allocated between the Contractor and NNSA Direct scope will be managed through the Baseline Change Proposal (BCP) process and authorized via Work Authorization and Contract modification when moving scope and/or funding.

2. Purpose

The UPF Fee Plan, herein referenced as “Plan,” documents the base fee structure and implementation of fee provisions in which Project performance will be evaluated and upon which NNSA will determine the amount of Contractor provisional and earned fee.

The purpose of the Plan is to document the performance objectives and incentive provisions of the Contract, as well as the approach, procedures, and metrics the Government will use to administer the Plan. The desired behavior of the Contractor is to deliver high quality products and services (technical requirements), within the approved Performance Measurement Baseline (PMB), cost and schedule, which will ultimately deliver a UPF fully capable of meeting all DOE/NNSA mission performance, quality, safeguards and security, and environmental, safety, and health contractual requirements.

The Plan replaces the standard NNSA-corporate strategic governance and oversight model for typical standalone M&O contracts, with a framework that utilizes the NA-APM construct (DOE O 413.3B, *Program and Project Management for the Acquisition of Capital Assets*) for managing major capital asset projects under an M&O contract.

The Plan will cover all CNS authorized Project scope, including Work Authorizations and Authorized Unpriced Work. The Project scope is broken out by Design Management Plan (DMP), and Construction Management (CM) subprojects, which will be measured in accordance with the oversight methods of the Contract, or as defined in the Plan.

3. Approach

The approach for the Plan is to have a fee structure that will appropriately motivate Contractor performance while reducing Government risk through the use of Performance Objectives and Cost Plus Incentive Fee (CPIF) arrangements.

The goal of the Plan and fee structure is to incentivize the Contractor to deliver the Project on time and on budget, with a facility that meets all of the contractual requirements. Therefore, an element of the fee structure is the Contractor's demonstrated performance in completing Contract deliverables that comply with DOE O 413.3B, including, but not limited to: Statement of Work, Program Requirements Document (PRD), Systems Requirements Document (SRD), Contract Data Requirements List (CDRL)/Data Item Descriptions (DID), and all other applicable DOE Orders, Standards, and Contractor Requirements Documents, as set forth in the Contract.

In order to provide a balanced fee structure, the Plan may include a mix of incentive provisions for meeting discrete Project scope.

4. Establishing Plan

The Contracting Officer (CO) must ensure that the cost and fee structure is commensurate with the Critical Decision (CD) phase and performance risks, as it pertains to DOE guidelines, limitations, and factors for determining fees.

Pursuant to DOE O 413.3B (Appendix C, Page C-3)(3), the Performance Baseline (PB) is established at CD-2, which marks the completion of preliminary design. The PB represents NNSA's commitment to Congress for delivering the Project's defined scope by a particular date at a specific cost, with the exception of any separately approved subprojects and long lead procurements, as applicable. Cost estimates for the DMP in advance of CD-2 do not represent finite commitments, and therefore need to be managed differently.

The Plan includes a separate exhibit, herein referenced as "Annex," for establishing the negotiated fee structure and performance objectives for each discrete scope of work. In order for the CO to determine the proposed costs are fair and reasonable, the Contractor shall provide a cost/schedule baseline proposal in sufficient detail for the Government to perform the appropriate price/cost analysis. Pursuant to FAR 15.404-1(b), the Government may use various price analysis techniques to definitize the negotiated target cost and target fee structure in the Contract.

Prior to CD-2 approval, the Government will manage authorized scope, whether definitized or undefinitized through the use of Work Authorizations or Limitations of Costs constraints via letters of direction. Additionally, the Government may opt to use the DMP baselines and/or estimated cost/schedule baseline(s) for subprojects for performance purposes until annexes are established.

5. Plan Oversight

The Contractor is responsible for Project management, and the quality level required to meet the Project's technical requirements, deliverables, and terms and conditions of the Contract.

The Plan will be monitored by the Government through an "open book" assessment of the Contractor's technical, cost, and schedule data, which includes the Government's own evaluation of costs, fee, and Earned Value Management Systems (EVMS) metrics, as well as oversight across all functional areas, including, but not limited to: Safeguards and Security; Quality Assurance; Project Management; Integrated Project Schedule and EVMS; Engineering, Procurement & Subcontract Management, and Construction (Processes, Procedures, and Systems); Environmental, Safety, and Health; Technology Development; and Business and Contract Management.

Each Annex will have an oversight section that describes the approach the Government will use for conducting performance objective oversight to ensure the Contractor delivers high quality products and services that meet the Project requirements. The Contracting Officer's Representatives (CORs), with input from functional area managers, will use the Annexes to measure how the key performance objectives of the Contract are met. The role of the Government oversight model is to ensure Contract objectives are achieved. The CO may notify the Contractor anytime during performance of the Contract to address cost, schedule, and/or performance concerns needing attention.

6. Change Procedures

The Plan and Annexes shall be approved and incorporated into the Contract by modification at Section J, Appendix B-2, UPF Fee Plan by the CO. The Plan and Annexes will be updated as necessary during Contract performance. These updates may include, but are not limited to, required changes caused by new authorized scope, CO/COR direction, project phasing, change control, and/or establishing/adjusting cost incentives and performance objectives. Any changes to the Plan and Annexes shall be codified by a Contract modification.

7. Programmatic and Contractual Terminology Clarifications

a. Project Changes vs. Contract Changes

Project Changes: Pursuant to DOE O 413.3B (A-21)(6e) the Contractor, Federal Project Director (FPD), and Project Management Executive (PME) use approved BCPs to change the estimated or approved PB and PMB of the Project, based on change control approval thresholds. However, these baseline changes do not change the Contract.

Contract Changes: The CO is the only individual who has the authority to issue Contract changes and modifications; and only when they comply with regulatory and statutory requirements in accordance with the changes clause of the Contract. Part II - Section I, Sub-Section I-2, DEAR 970.5243-1, *Changes* (Dec 2000). Thus, the Contractor shall coordinate with the CO to identify any specific Contract changes that may be required as the result of a BCP, prior to submitting for approval.

b. Contingency

Pursuant to DOE Acquisition Letter AL 2009-01, when establishing the negotiated pricing and fee structure for each Annex, only the Contractor's controlled and proposed contingency costs, i.e., Management Reserve (MR), consistent with FAR 31.205-7(c)(1) shall be allowed and included in the overall cost against which fee is calculated – "those that may arise from presently known and existing conditions, the effects of which are foreseeable within reasonable limits of accuracy; e.g., anticipated costs of rejects or defective work."

However, the Contractor has the burden of proof in demonstrating its proposed costs, including any Contractor controlled contingency costs, are reasonable, allocable, and allowable.

c. Contract Price

Pursuant to DOE O 413.3B and DOE G 413.3-10, *Earned Value Management System (EVMS)(Appendix B)*, the following information is provided to ensure clarity of terms used in the Plan.

- a. Contract Price (CP), a performance measurement term, represents Contract Budget Base (CBB) plus fee/profit, or $CP = CBB + \text{profit/fee}$.
- b. CBB, a performance measurement term, includes all the authorized work, i.e., Negotiated Contract Cost (NCC) plus any Authorized Unpriced Work (AUW), from which the PMB is derived. However, CBB excludes Government contingency, other DOE direct costs, and any fee/profit. $CBB = PMB + MR$.
- c. PMB, a project management and performance measurement term, represents an element of CBB, but by itself excludes MR (Contractor held contingency) and any fee/profit.
- d. The Contract Estimated Price on Contract, a contractual term, represents the Governments estimated costs or negotiated costs of authorized priced scope, including any earned fee or allowable contingency costs, shown as a limitation of costs constraint under Cost Reimbursement contracts. Any changes that affect the Contract price on Contract shall be definitized by a modification to Contract, Section B, CLIN 0002 by the Contracting Officer.

8. Provisional Fee

Pursuant to DOE Acquisition Letter AL 2014-02, provisional payment of fee is paid to the Contractor for progress towards meeting performance objectives *before* the Contractor has earned the available fee. Therefore, provisional payment of fee is 100% at risk until earned.

The Contractor may request provisional fee payments on established Annexes, or as otherwise authorized by the CO, however, these requests shall be made no more frequently than “quarterly” and in writing to the CO. The amount of each provisional fee payment will be directly and expressly linked to the Contractor’s demonstrated and continued performance towards earning fee. The Contractor’s request shall summarize the basis for the amount of provisional fee requested. Each successive provisional fee payment, if any, shall reflect the Contractor’s cumulative performance to date.

The CO’s evaluation of provisional fee requests shall rely on the Contractor’s ability to clearly demonstrate satisfactory progress and/or completion of discrete scopes of work against the budgeted value of work actually accomplished for each Annex. Other inputs may include, but are not limited to, routine and un-scheduled site visits, inspections, assessments, and peer reviews. The CO will notify the Contractor in writing within 30 calendar days from receipt of request outlining the amount of approved provisional fee that can be drawn down from the letter of credit.

The CO, with coordination from NNSA HQs, will monitor performance to determine if the Contractor has met the requirements under which the Government will pay provisional fee to the Contractor, as well as any adjustments to the cumulative amount of provisional fee already paid.

In the event the CO determines the Contractor has over drawn provisionally paid fee, the Contractor shall return that provisionally paid fee to the Government within 60 calendar days of notification:

- The Contractor’s obligation to return the provisionally paid fee is independent of its intent to dispute, and/or its disputing the CO determination in accordance with the disputes clause of the Contract. Part II - Section I, Sub-Section I-1, FAR 52.233-1, *Disputes, Alternate I* (Dec 1991)(Jul 2002); and
- If the Contractor fails to return the provisionally paid fee within 60 calendar days of the CO notification, the Government, in addition to all other rights that accrue to the Government, may withhold/deduct the amount of the provisionally paid fee from amounts the Government would otherwise authorize the Contractor to draw down under a Letter of Credit, or any other Contractor owed obligation.

9. Earned Fee

Earned fee is due the Contractor by virtue of its meeting the stated performance objectives of the Plan, Annexes, and Contract requirements entitling it to fee.

For the purposes of this Plan:

- All fee is 100% at risk until earned;
- Contractor performance objectives will be primarily measured against Cost 50% and Schedule 50%, with the flexibility for adjusting percentage split or adding other performance objectives to negotiated annexes based on scope and risk.
- All negotiated fee associated with cost performance objectives shall be provisional through the end of the project and/or contract, as spelled out in each Annex;
- Maximum fee will be > 5%, based on negotiated target cost and target fee share lines;
- How and when fee is earned will be negotiated and captured in each Annex; and,
- All fee is subject to the terms and conditions of the Contract, including any special contract requirements.
- The CO will notify the Contractor in writing within 45 calendar days or as mutually agreed between the parties, from receipt of an acceptable request outlining the amount of approved earned fee that can be drawn down from the letter of credit.

10. Incentive Fee Structure

The Government will bilaterally establish the incentive fee structure under the Plan by negotiating each discrete element of scope and incorporating the agreement, i.e., Annex, into the Contract via modification. However, the Government is under no obligation to pay provisional or earned fee without an approved Plan with agreed to Annexes.

The creation of each Annex and establishment of performance objectives, target cost, target fee, share lines, and maximum/minimum fee will be the result of several variable factors, including:

- The Government's price objective; and
- The Contractor's price objective.

It is anticipated that each Annex may contain a cost incentive, schedule incentive, and other applicable performance objectives. It is anticipated that some scope may require a deeper analysis of the reasonableness of and necessity for all costs incurred, risks, and the relative effectiveness of the Contractor's management and overall performance. Regardless, the Government's objective is the same, to negotiate and definitize a reasonable price and fee structure with the Contractor. The final fee determination shall be made by the Government using the criteria and/or conditions contained in the annexes.

APPENDIX A

FEE PLAN TERMINOLOGY

Refer to DOE O 413.3B, *Program and Project Management for the Acquisition of Capital Assets* and DOE G 413.3-10, *Earned Value Management System (EVMS)* for additional terms related to EVMS managed Projects. Additional terms may be added as Annexes are developed.

Actual Cost – the reasonable costs that the Contractor can claim, i.e., reasonable, allowable, and allocable.

Annex – the method for capturing the negotiated fee structure, performance objectives, and oversight for each discrete scope of work.

Authorized Unpriced Work (AUW) – is contractually approved scope, i.e., approved baseline changes, but not yet negotiated or definitized on Contract.

Baseline – A quantitative definition of cost, schedule and technical performance that serves as a base or standard for measurement and control during the performance of an effort; the established plan against which the status of resources and the effort of the overall projects are measured, assessed and controlled.

Baseline Change Proposal – A document that provides a complete description of a proposed change to an approved performance baseline, including the resulting impacts on the project scope, schedule, design, methods, and cost baselines.

Earned Value – The budgeted value of work actually accomplished in a given time. Simply defined, Earned Value represents the value of work accomplished during the period.

Earned Value Management – A project performance method that utilizes an integrated set of performance measurements (e.g., scope, cost and schedule) to assess and measure project performance and progress, and estimate cost and schedule impacts at completion.

Earned Value Management System – An integrated set of policies, procedures and practices to objectively track true performance on a project. EVMS represents an integration methodology that is able to provide an early warning of performance problems while enhancing leadership decisions for successful corrective action.

Fee Plan – Captures the fee strategy. The base plan details the processes and procedures for implementing the fee structure and methodology of developing annexes for evaluating the contractor's performance.

Final Fee – The amount of fee owed to the Contractor, which includes adjustments for Contractor underruns, overruns or other performance objective fee adjustments.

Maximum Fee – The highest fee that may be earned, usually expressed as a percentage, but translated into a fixed dollar amount.

Minimum Fee – The lowest fee that may be earned, usually expressed as a percentage, but translated into a fixed dollar amount.

Other NNSA Direct Costs – Refers to scope being performed by someone other than the M&O Contractor, e.g. the United States Army Corps of Engineers (USACE), but included in the Projects PB and TPC.

Other Project Costs (OPC) – All other costs related to a project that are not included in the Total Estimated Cost (TEC).

Performance Baseline (PB) – The collective key performance, scope, cost, and schedule parameters, which are defined for all projects or subprojects at CD-2. The PB includes the entire project budget (TPC including fee and contingency) and represents DOE's commitment to Congress.

Performance Measurement Baseline (PMB) – The baseline cost that encompasses all contractor project work packages and planning packages, derived from summing all the costs from the Work Breakdown Structure. Undistributed management reserve, contingency, profit, fee and DOE direct costs are not part of the PMB. The PMB is the benchmark used within EVM systems to monitor project (and contract) execution performance.

Performance Objectives – The objective of incentive contracts is to motivate contractors to earn more compensation by achieving better performance objectives (cost, schedule, and/or technical); to better control costs and performance.

Range of Incentive Effectiveness (RIE) – RIE is a judgment of the range of probable costs and not an estimate of the range of possible costs above or below that range. Thus, RIE is the byproduct of cost analysis, and the conclusion reached after fact-finding, negotiations, and analysis of cost projections. The RIE is that conclusion translated into target cost/fee, share lines, and maximum/minimum fee dollars.

Share Line (Ratio) – The agreed upon cost sharing proportion, normally expressed in percentage, which is often different for cost overruns and cost underruns.

Target Cost – The estimated total contract cost for a subject Annex. The Target Cost will represent the point in the range of possible costs which both parties to the Contract agree is the “most probable.” The RIE sets the range of what Contract costs are likely to be, expressed in terms of most pessimistic to most optimistic.

Target Fee – The estimated fee for a subject Annex. The Target Fee is the amount of fee to be paid if the Target Cost matches the Actual Cost. The Target Fee will

represent the point in the range of possible fees which both parties to the Contract agree is the “most probable.” The RIE sets the range of what Contract fees are likely to be, expressed in terms of most pessimistic to most optimistic.

Total Estimated Cost – All engineering design costs, facility construction costs and other costs specifically related to those construction efforts.

Total Project Cost – All costs between CD-0 and CD-4 specific to a project incurred through the startup of a facility, but prior to the operation of the facility. Thus, TPC includes TEC plus OPC.

Variances – A measurable change from a known standard or baseline. It is the difference between what is expected and what is actually accomplished. A variance is a deviation or departure from the approved scope, cost or schedule performance. Variances are expected, but the Contractor’s potential of earned fee is directly related to the final variances.

Work Breakdown Structure – Used by the project management team to organize and define a project into manageable objectives and create a blueprint by which the steps leading to the completion of a project are obtained.

APPENDIX B

CPIF STRUCTURE COMPONENTS

CPIF Structure Components

The following CPIF structure component definitions will be used for developing the share line formulas in each Annex for calculating final fee. This structure forms the basis for the Plans incentive arrangement and sharing of risks between the Government and the Contractor regardless of the use of a single or multi-level share line model.

C_T = Target Cost // Negotiated Target Cost (\$).

C_{TAC} = Total Allowable Cost // Actual Cost (\$) the Contractor can claim.

F_T = Target Fee // Negotiated Target Fee (\$).

F_{MAX} = Maximum Fee // Maximum Fee (\$) > Target Fee, but within statutory range.

F_{MIN} = Minimum Fee // Minimum Fee (\$) < Target Fee, but not < Zero.

F_{ATF} = Adjusted Target Fee // Calculated Fee amount (\$) after share line(s) applied.

F_{AFF} = Adjusted Final Fee // Calculated Fee amount (\$) after adjustments applied.

C_{TAP} = Total Adjusted Price // Calculated Contract Price (\$) after Fee applied.

Share Ratios: Government Under/Over Target Shares, expressed as the Government percentage share of cost risk over the Contractor percentage share of cost risk.

Under Target Share = S_{GU}/S_{CU} // Government Share (%) / Contractor Share (%).

Over Target Share = S_{GO}/S_{CO} // Government Share (%) / Contractor Share (%).

**FISCAL YEAR 2026
NNSA CAPITAL LINE-ITEM PROJECT
AWARD FEE PLAN/ANNEX**

**CONSOLIDATED NUCLEAR SECURITY, LLC
MANAGEMENT AND OPERATION OF THE Y-12
NATIONAL SECURITY COMPLEX SITE**



**THE NATION'S
URANIUM PROCESSING FACILITY**

Contract Number: DE-NA0001942

Project Number: 06-D-141

Performance Evaluation Period: October 1, 2025 through September 30, 2026

Rick Holmes
UPF Project Director
Consolidated Nuclear Security, LLC

Date

Michael S. Pearson
Director
Y-12 Acquisition & Project Management Office
National Nuclear Security Administration

Date

Scott S. Crawford
UPF Prime Contracts Manager
Consolidated Nuclear Security, LLC

Date

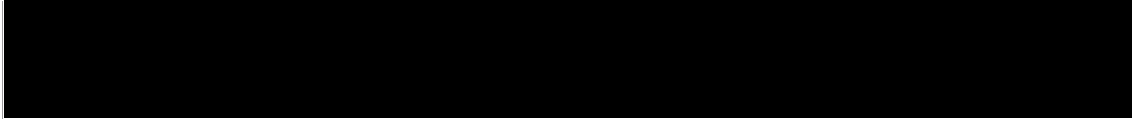
Michael C. Bocskovits
Construction Contracting Officer
Y-12 Acquisition & Project Management Office
National Nuclear Security Administration

Date

UPF FY 2026 AWARD FEE PLAN/ANNEX

APPROVALS

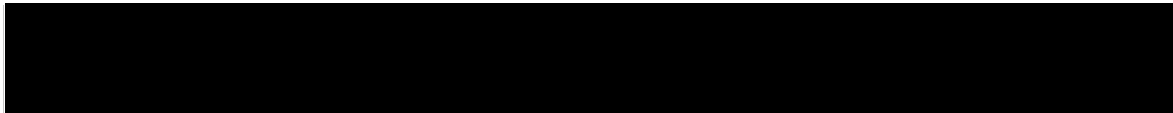
Fee Determination Official Approval:



Scott W. Pappano
Principal Deputy Administrator, NA-2

Date

Concurrence:



William Quigley
Deputy Associate Administrator, NA-PAS-2
Senior Procurement Executive and Head of Contracting Activity

Date



Nicole Nelson-Jean
Associate Administrator for Infrastructure, NA-90-1

Date

UPF FY 2026 AWARD FEE PLAN/ANNEX

DOCUMENT REVISION HISTORY

Revision	Date	Change Description

UPF FY 2026 AWARD FEE PLAN/ANNEX

INTRODUCTION

The Y-12 National Security Complex (Y-12) is a site owned by the United States Government, under the custody of the Department of Energy (DOE)/National Nuclear Security Administration (NNSA) and is managed and operated by Consolidated Nuclear Security, LLC (CNS), herein referenced as “Contractor.”

This document contains two parts, the Fiscal Year (FY) 2026 Award Fee Plan (AFP) and Schedule Objective Fee Annex (Annex). NNSA approval of the Contractor’s Performance Measurement Baseline (PMB) and Contract modification shall definitize the estimated cost and schedule to complete the Uranium Processing Facility (UPF) project.

The total available fee for FY 2026 is \$13,200,000, of which \$4,224,000 is Subjective Award Fee as defined in the AFP, and \$8,976,000 is Objective Fee as defined in the Annex.

In accordance with Contract Line-Item Number (CLIN) 0002 of Contract Number DE- NA0001942, the Contractor shall provide personnel, equipment, materials, supplies and services, and otherwise do all things necessary for, or incident to effectively, efficiently, and safely ensure the completion of the UPF project. As such, the fee associated with CLIN 0002 is separate and severable from all other fee provisions set forth in the Contract. CLIN 0002 fee is earned in accordance with this plan. In order to achieve final outcomes, the Contractor must meet key mission objectives and address significant management challenges identified by NNSA. The AFP is intended to motivate the Contractor to address management challenges.

For the purposes of FY 2026, the AFP and Annex fee shall be 32% subjective and 68% objective, respectively.

The AFP will evaluate the Contractor’s performance through Subjective Evaluation Factors, and each factor will be measured against the criteria set forth in the AFP section. NNSA will objectively evaluate the Contractor’s performance through Schedule Objectives Fee Milestones, which will be validated by Y-12 APMO against the Annex completion evidence that can be documented by the Contractor and verified by NNSA. The Y-12 APMO will be responsible for input into the AFP evaluation and primarily responsible for verifying completion of the Annex outcomes. The FY 2026 Subjective and Objective fee determination will be made by the Fee Determining Official (FDO).

PERFORMANCE RATING PROCESS

FOR SUBJECTIVE AND SCHEDULE OBJECTIVE FEE

NNSA will oversee performance throughout the performance evaluation period and provide quarterly feedback, as required, to the Contractor highlighting accomplishments and issues. At the end of the performance evaluation period, an evaluation of the Contractor’s fiscal year performance will be completed against the criteria in the AFP and Annex.

Sources used to support Subjective Fee and Schedule Objective Fee performance evaluation include, but are not limited to cost and schedule data, formal assessments, Contractor self-assessments, internal and external audits, inspections, walk-downs, program and project reviews, execution awareness activities, Contractor assurance systems, and completion evidence, etc.

UPF FY 2026 AWARD FEE PLAN/ANNEX

NNSA will consider the Contractor's UPF Project end of year (EOY) self-assessment report in the performance evaluation for Subjective Fee. The Subjective Fee criteria will be evaluated in accordance with FAR 16.401(e)(3) yielding ratings of Excellent, Very Good, Good, Satisfactory, or Unsatisfactory. The overall rating and percentage of Subjective Fee earned will be based on the aggregate scoring of the subjective evaluation factors. It is expected that the Contractor's EOY Self-Assessment be supported by cost and schedule data from certified EVMS performance assurance activities including information from the Contractor's Quality Management System and Contractor's Assurance Systems.

Notwithstanding the overall strategic framework, any significant failure may impact the rating achieved that determines the Subjective Fee earned. Dollar values contained in the AFP for Subjective Fee are provided as guidelines for developing a recommendation of fee allocation to the FDO. Subjective Fee shall remain 100% at risk until earned. The final fee determination as to the amount of Subjective Fee earned is a unilateral determination made by the FDO. Fee may be reduced per contract Section B.9, DEAR 970.5216-3, *Conditional Payment of Fee, Profit, and Other Incentives – Facility Management Contracts (JAN 2004) ALTERNATE II [JAN 2004] [DEVIATION]*.

The Contractor may request a face-to-face meeting with the FDO to highlight its strategic performance with respect to the Subjective Fee criteria at the end of the performance evaluation period. This meeting must be requested within the first two weeks after the end of the period.

CHANGE CONTROL

The approved FY 2026 AFP and Annex shall be incorporated into the Contract by modification at Section J, Appendix B-2, *UPF Fee Plan*.

It is essential that a baseline of performance expectations with respect to Subjective Fee criteria is established at the beginning of the evaluation period to equitably measure performance, and that changes to the performance baseline are carefully managed. Unforeseen circumstances and/or changes in priorities may necessitate corresponding changes to the Subjective Fee Structure. Any changes, including modifications to or removal of any Subjective Fee criteria, requires concurrence by the NNSA Office of Infrastructure (NA-90) and the Senior Procurement Executive, and approval by the FDO prior to the Y-12 Acquisition and Project Management Office (Y-12 APMO) signatures. While recognizing the unilateral rights of NNSA as expressed in the Contract terms and conditions, bilateral changes are the preferred method of change whenever possible.

PROVISIONAL FEE

NNSA Construction Contracting Officer (CCO) reserves the right to implement an appropriate provisional fee liquidation model as required.

UNEARNED FEE

FDO fee determinations are final. There will be no ability for the Contractor to recover unearned fee. Schedule Object Milestones not achieved by the due date are unearned, unless a deferral date methodology is established.

SMART STRETCH GOALS

The Master Fee Plan includes SMART Stretch Goals (specific, measurable, achievable, relevant, and time-bound incentives) beyond the FY 2026 horizon to create and communicate clear and measurable desired final outcomes to successfully complete the UPF project under budget and ahead of schedule.

UPF FY 2026 AWARD FEE PLAN

SUBJECTIVE FEE STRUCTURE

Subjective Evaluation Factors, Weightings, and Fee Allocations

NNSA will evaluate the Contractor on any and/or all areas of performance within the integrated project and Contract scope of work. A significant element of any fee evaluation shall be the Contractor's demonstrated performance in meeting or exceeding the performance standards below. The following are the subjective evaluation factors, which will be used as the basis for evaluation, and a summary table that identifies the associated weightings and fee allocations for each. Subsequent revisions to the Subjective Fee criteria in this AFP may revise the factors or associated weightings and fee allocations with proper notification to the Contractor of the changes and opportunity for Contractor input.

Subjective Performance Evaluation Factor	Weighting	Fee Allocation
1. Effective Interactions and Timely Responses	12%	\$506,880
2. Effective Integrated Project Management	7%	\$295,680
3. Execution within Cost Parameters	37%	\$1,562,880
4. Execution within Schedule Parameters	44%	\$1,858,560
UPF Total Subjective Fee Available:	100%	\$4,224,000

1. Effective Interactions and Timely Responses (Weighting: 12%)

The Contractor shall ensure project issues identified by NNSA and/or Contractor(s), particularly those affecting safety, security, quality, and project performance, are promptly, effectively, and transparently addressed. The Contractor shall respond to issues identified by NNSA, including but not limited to assessment issues, reviews, and awareness activities within requested timeframes. The Contractor shall notify the appropriate NNSA functional counterpart of Contractor identified issues and take appropriate project or contract actions to adequately address. The Contractor shall support NNSA in project related areas such as budget exercises, quarterly reviews, tours, etc.

The Contractors Primary Evidence for this Factor:

- Contractor Assurance System (CAS) Resolutions.
- UPF Nonconformance Reports (NCRs)/Field Change Documents (FCDs).
- Responsiveness to requests and meeting Contractor commitments.
- Contractor's Estimate at Completion (CEAC) and Spend Plans (obligations and expenditures) efforts that support budget cycle.

2. Effective Integrated Project Management (Weighting: 7%)

The Contractor shall sustain a fully integrated project organization focused on executing the UPF Capital Line-Item Project in accordance with the approved project performance baselines, work authorizations, and Contract. The Contractor shall perform and manage in a transparent and quality manner that applies effective cost controls and decisions to stay on schedule. This includes a right-sized integrated organization with personnel empowered to lead change within a disciplined conduct of project management utilizing project management systems, processes and procedures aligned with Department of Energy Order 413.3B, DOE/NNSA guides and industry standards. The Contractor's project management system, personnel and organization are competent, appropriately

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rigorous, integrated, and agile for large, complex and long duration projects.

Primary evidence for this Factor shall be demonstrated performance that meets and/or exceeds planned productivity and production rates while actively integrating functional inputs into the design, procurement, and construction outputs. The Contractor shall strive to minimize rework, idle time, unit rate changes, and put in controls to eliminate inaccurate earning.

The Contractor's Project Management Control System shall at a minimum:

- Maintain a compliant Earned Value Management System (EVMS) that timely resolves any Corrective Action Requests (CARs) and Discrepancy Reports (DRs).
- Variances and resulting impacts to the projects shall be analyzed at least monthly and appropriate, timely actions shall be taken to mitigate future variances/impacts.
- The trend program shall identify, document, approve and implement working performance baseline changes in a timely and cost-effective manner considering both cost and schedule impacts of each trend.
- Maintain an Integrated Master Schedule that accurately status design, procurement, technology development and integration fabrication, construction, assembly, test activities, commissioning and turnover of operations, including critical path schedules, monthly status reports, and PARS uploads on a regular and timely basis.
- Provide timely and thorough analysis and basis to support development of impact-based decisions (i.e., date at which decisions need to be made to avoid impact, and recommend prioritization, actions/options, with sufficient time for Government to act.

3. Execution within Cost Parameters (Weighting: 37%)

The Contractor shall execute Cost Performance efficiently and effectively within the NNSA approved baseline to ensure NNSA mission commitments and Contractor commitments are met with timely, high-quality deliverables, in accordance with DOE Order 413.3B and ANSI/EIA-748, as defined on Contract. Primary evidence for this Factor shall be demonstrated effective cost performance against the PMB.

The Contractor's Cost Parameters shall at a minimum:

- Complete authorized scope in accordance with the PMB; provide timely and accurate project cost reporting.
- Manage and maintain a deliverable-based resource-loaded Work Breakdown Structure (WBS) baseline; cost control accounts, work packages and planning packages consistent with industry best practices and standards and compliant with the Contractor's Earned Value Management System Description (EVM-SD).
- Implement improved change control management of scope, cost, and schedule in accordance with the applicable threshold tables contained in the approved Project Execution Plans and in accordance with DOE orders and the EVM-SD.

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- Update Earned Value Management System (EVMS) tools with PMB data in accordance with CCO direction.
- Provide early warning accurate cost forecasting and analyze cost performance during each monthly period.
- Accurately measure earnings, e.g., work accomplished; implement controls to identify, report, and correct problems within the next reporting period after problems identified.
- Expend funds and resources that optimally provide maximum benefit to tax payer;
- Generate cost savings opportunities and ways to reduce project costs.
- Demonstrate cost effective procurement and subcontract management.
- Actively mitigate cost growth and performance impacts and only approve Trends after all mitigation steps have been exhausted.
- Execute the Trend program in accordance with April 1, 2025 CO direction, “*UPF Project Baseline Guardrails*.”
- Identify, quantify and mitigate technical, programmatic, schedule, and cost risks.
- Ensure prompt resolution of any post IBR findings and corrective actions.

4. Execution within Schedule Parameters (Weighting: 44%)

The Contractor shall execute Schedule Performance effectively and efficiently within the approved NNSA approved Integrated Master Schedule (IMS) and PMB to ensure NNSA mission commitments and Contractor commitments are met with timely, high-quality deliverables, in accordance with DOE Order 413.3B and ANSI/EIA-748, as defined on Contract.

Primary evidence for this Factor shall be demonstrated effective schedule performance against the IMS and PMB.

The Contractor’s Schedule Parameters shall at a minimum:

- Complete authorized scope in accordance with the PMB; provide timely and accurate project cost reporting.
- Manage and maintain an IMS to support project management, execution and control; include the total scope of baselined work and identify WBS elements for all activities and milestones; identify interdependencies between project activities/milestones to reflect a credible, logical project sequence; activity durations which are reasonable, measurable, and appropriately detailed for effective management; appropriate activity and resource calendars are employed.
- Update EVMS tools with PMB data in accordance with CO Direction.
- Implement improved change control management of scope, cost, and schedule in accordance with the applicable threshold tables contained in the approved Project Execution Plans and in accordance with DOE orders and the EVM-SD.
- Maintain current project status and credible start/finish forecasts for all to-go tasks and milestones; include project and management controls milestones.
- Ensure there are no changes to NNSA activities without direction from CO.

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- Manage a credible critical path and near critical paths as determined by the calculated IMS logic network. This includes prioritization of near-term critical paths and mitigation of delays prior to finalization of critical path reporting.
- Ensure adequate schedule margin has been included and clearly defined;
- Ensure the number of lags/leads and activity constraints is limited and reasonable and within limits established by DOE.
- Schedule should include subcontracted scope detail into schedule/critical path to ensure successful integration. This includes identification of prerequisite work to ensure timely completion of subcontracted scope at a sufficient level of detail to manage required interfaces.
- Hold subcontractors accountable and avoid/mitigate impacting subcontract performance.
- Minimize construction down times; delays to construction activities are minimal, and all delays are proactively identified, tracked, analyzed for patterns, evaluated for quick resolution, and reported expeditiously to NNSA.
- Actively mitigate schedule growth and performance impacts and only approve Trends after all mitigation steps have been exhausted.
- Identify, quantify and mitigate project schedule risks; perform schedule risk analysis to accurately predict the probability of completing on time.
- Ensure prompt resolution of any post IBR findings and corrective actions.

End of Subjective Performance Factors

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SUBJECTIVE ADJECTIVAL RATINGS

Excellent	91%-100%	Contractor has exceeded almost all 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. <i>This performance level is evidenced by at least one significant accomplishment, or a combination of accomplishments that significantly outweigh very minor issues, if any. No significant issues in performance exist.</i>
Very Good	76% - 90%	Contractor has exceeded many 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. <i>This performance level is evidenced by accomplishments that greatly outweigh issues. No significant issues in performance exist.</i>
Good	51% - 75%	Contractor has exceeded some 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. <i>This performance level is evidenced by accomplishments that slightly outweigh issues. No significant issues in performance exist.</i>
Satisfactory	No greater than 50%	Contractor 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. <i>This performance level is evidenced by issues that slightly outweigh accomplishments.</i>
Unsatisfactory	0%	Contractor has failed 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. <i>This performance level is evidenced by issues that significantly outweigh accomplishments, if any.</i>

End of Award Fee Plan (Subjective Fee).

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SCHEDULE OBJECTIVE FEE STRUCTURE

This Annex sets forth the FY 2026 schedule milestones that must be achieved by the Contractor by the due date to earn Schedule Objective Fee.

The desired goal is to incentivize the Contractor to deliver all remaining UPF scope, Main Processing Building (MPB) and Salvage & Accountability Building (SAB) subprojects, on schedule, by using a schedule Annex structure. Thus, NNSA reserves the right to update the Contract as required post NNSA approval of the Contractor's PMB, the Master Annex, Section J, Appendix B-2, UPF Fee Plan, including the key performance objectives that safeguard the UPF total project cost and CD-4 date. If one or more critical systems are not completed in the period, the fee associated with that system may be deemed unearned or be deferred by the CCO. If one or more non-critical systems are not completed in the period, the fee associated with that system may be prorated and deferred by the CCO. Proration shall be based on the assessed impact to the project, taking into account the relative weight of the systems in each milestone. Deferred fee will be re-assessed based on impacts to the project at the end of the FY by the CCO.

All other provisions, terms and conditions of the Contract, including UPF Fee Plan/Annexes, shall continue to apply (Part III, Section J, Appendix B, B-2), unless modified by Contract modification.

All FY26 fee requests shall be submitted as follows:

- a. The Contractor shall schedule a briefing with the UPF FPD and CCO prior to development of a fee request package. Formal documentation of the briefing shall be produced by the Contractor including UPF FPD and CCO comments on said document for FDO review and approval.
- b. Contractor shall submit transmittal letter that provides clear directions and permissions for accessing and reviewing objective completion evidence. Fee requests that do not contain sufficient navigation instructions shall not be evaluated.
- c. The Contractor shall schedule, when necessary, a minimum of 5 days in advance, a walk down of completed work scope with the UPF FPD and CCO prior to development of a fee request package.

Schedule Milestones	FY26	Schedule Fee
UPF.10-01: Complete FY26 Q1 Construction Turnovers & System Testing Milestones	Q1	\$1,372,385
UPF.11-01: Complete FY26 Q2 Construction Turnovers & System Testing Milestones	Q2	\$1,807,531
UPF.12-01: Complete FY26 Q3 Construction Turnovers & System Testing Milestones	Q3	\$2,008,368
UPF.13-01: Complete FY26 Q4 Construction Turnovers & System Testing Milestones	Q4	\$2,811,716
UPF.13-02: Documented Safety Analysis & Technical Safety Requirements Revision 0 Ready to Issue	Q4	\$976,000
FY 2026 UPF Schedule Objective Fee Available:		\$8,976,000

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Activity Number:	UPF.10-01	
Activity Name:	Complete FY26 Q1 Construction Turnovers & System Testing Milestones	
Due Date:	FY 2026/Q1	
Fee Amount:	\$1,372,385	
Owner:	James Barnard, Alf Nuzzolo, and Tomy Nazario	
Contract Performance Outcome:		
C2SUTO: Complete the cumulative total of Construction to Startup turnovers listed below. Punchlist items, systems inspections, walkdowns, and turnover actions shall be performed and documented in accordance with Y15-95-912, UPF Completion and Turnover.		
SYSTEM TEST COMPLETIONS: Complete the cumulative total of system testing with approved test results in accordance with MNL-SU-801768-A001.		
Background/Justification:		
FY26 systems turnovers and testing are required to demonstrate system functionality through startup testing, which drives commissioning activities in FY26/27.		
<u>Critical System Turnover:</u> Defined as C2SUTO and system testing activities that shall be accomplished this quarter. These include systems with 37 days or less of float or that meet the definition of Critical Support Systems or Key Systems.		
- Critical Support Systems: Utility or control systems that must be functional in order to test and operate (as required) a significant number of facility processes. - Key Systems: Complex mission/key performance parameter (KPP) related systems for enabling UPF to perform its function. Completion of these systems should be closely tracked/monitored and may warrant additional reporting.		
<u>Non-Critical System Turnover:</u> All other C2SUTO and system testing activities baselined to complete this quarter not falling under the critical system listing.		
P6 Activity ID:		
C2SUTO		
CRITICAL SYSTEMS = 5		
Activity ID	Description	System
STMCWMT079	MPB - Approve / Accept Construction T/O Pkg - CW-2	CW-2
STSCWST18	SAB - Approve / Accept Construction T/O Pkg - CW-7	CW-7
STSCWST22	SAB - Approve / Accept Construction T/O Pkg - CW-8	CW-8
STSCWST26	SAB - Approve / Accept Construction T/O Pkg - CW-9	CW-9
STMYAMT269	MPB - Approve / Accept Construction T/O Pkg - YA-17	YA-17
C2SUTO		
NON-CRITICAL SYSTEMS = 31		
Activity ID	Description	System
STPBCST25	PSB - Approve / Accept Construction T/O Pkg - BCS-3	BCS-3
STPCTNT25	PSB - Approve / Accept Construction T/O Pkg - CTN-4	CTN-4
STSDORT117	SAB - Approve / Accept Construction T/O Pkg - DOORS-3	DOORS-3
STPDORT25	PSB - Approve / Accept Construction T/O Pkg - DOORS-5	DOORS-5

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STSDRST25	SAB - Approve / Accept Construction T/O Pkg - DR-2	DR-2
STFENST25	FTP - Approve / Accept Construction T/O Pkg - ENS-2	ENS-2
STFFIRT25	FTP - Approve / Accept Construction T/O Pkg - FIR-2	FIR-2
STSFP2T25	SAB - Approve / Accept Construction T/O Pkg - FWP02-1	FWP02-1
STNFP3T25	FTP - Approve / Accept Construction T/O Pkg - FWP03-1	FWP03-1
STNFS1T25	FTP - Approve / Accept Construction T/O Pkg - FWS01-1	FWS01-1
STPHVCT25	PSB - Approve / Accept Construction T/O Pkg - HVCAS-1	HVCAS-1
STPHVDT25	PSB - Approve / Accept Construction T/O Pkg - HVDCK-1	HVDCK-1
STPHVPT25	PSB - Approve / Accept Construction T/O Pkg - HVPMS-1	HVPMS-1
STMLPMT25	MPB - Approve / Accept Construction T/O Pkg - LPS-7	LPS-7
STMMWST25	MPB - Approve / Accept Construction T/O Pkg - MW-3	MW-3
STMNNMT25	MPB - Approve / Accept Construction T/O Pkg - NN-2	NN-2
STSP10T25	SAB - Approve / Accept Construction T/O Pkg - P10-1	P10-1
STSPABT25	SAB - Approve / Accept Construction T/O Pkg - PA-2	PA-2
STSPCWT25	SAB - Approve / Accept Construction T/O Pkg - CMREC.PCW-1	PCW-1
STSSCBT25	SAB - Approve / Accept Construction T/O Pkg - SEC.SECAS-3	SECAS-3
STMSCMT25	MPB - Approve / Accept Construction T/O Pkg - SEC.SECAS-4	SECAS-4
STMSEMT25	MPB - Approve / Accept Construction T/O Pkg - SSEW-6	SSEW-6
STMSSMT079	MPB - Approve / Accept Construction T/O Pkg - SSW-3	SSW-3
STFSSWT25	FTP - Approve / Accept Construction T/O Pkg - SSW-5	SSW-5
STPTVSTT25	PSB - Approve / Accept Construction T/O Pkg - SEC.TVS-4	TVS-4
STFUTNT25	FTP - Approve / Accept Construction T/O Pkg - UTN-2	UTN-2
STSUNBT25	SAB - Approve / Accept Construction T/O Pkg - UTN-3	UTN-3
STFUTRT25	FTP - Approve / Accept Construction T/O Pkg - UTR-2	UTR-2
STMYFMT25	MPB - Approve / Accept Construction T/O Pkg - YAF-3	YAF-3
STSVIDCT25	SAB - Approve / Accept Construction T/O Pkg - SEC.YVIDC-3	YVIDC-3
STPVIDUT25	PSB - Approve / Accept Construction T/O Pkg - SEC.YVIDU-2	YVIDU-2

TESTING COMPLETIONS		
NON-CRITICAL SYSTEMS = 5		
Activity ID	Description	System
STYSWMT117	Yard - Approve Test Results - SW (TR 24-030)	SW
STMSEMT55	MPB - Approve Test Results - SSEW	SSEW
STMUTRT55	MPB - Approve Test Results - UTR (PSF)	UTR
STMUTNT55	MPB - Approve Test Results - UTN (PSF)	UTN
STPCTNT55	PSB - Approve Test Results - CTN	CTN

Notes:

Non-critical systems/boundaries may be rescoped as required to progress overall system testing and turnover to Commissioning. However, any systems/boundaries that need to be revised after annex acceptance, shall require CCO notification and approval. The CCO approval of the revision shall be memorialized in the evidence package. For purposes of achieving total FY or quarterly count for systems turnover and/or systems testing, proposals to substitute FY26 non-critical systems with FY27 systems shall require CCO notification and approval. Substituted systems must be accompanied by adequate justification in the evidence package showing that progress of the work is not hindered or lessened by the substitution.

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C2SUTO Acceptance Criteria:

Turnover packages shall be provided as evidence documenting the completed scope. The Contractor shall identify construction scope by applicable Construction Turnover Packages (per Y15-95-912, UPF Completion and Turnover), associated inspection records and documented status of each (open, closed and pending). A summary of all completed scope, including the basis for the documentation demonstrating successful completion of the milestone scope shall be provided. No punchlist “A” items, and any punchlist “B” items shall be reviewed by CCO. Startup shall accept the system in accordance with Y15-95-912, and the system will support downstream testing activities.

C2SUTO	FY26 Q1	FY26 Q2	FY26 Q3	FY26 Q4
Quarterly Critical Systems	5	3	2	36
Cumulative Critical System Count	5	8	10	46
Quarterly Non-Critical System Count	31	35	39	22
Cumulative Non-Critical System Count	31	66	105	127
QUARTERLY TOTAL SYSTEM COUNT	36	38	41	58
CUMULATIVE TOTAL SYSTEM COUNT	36	74	115	173

System Testing Completions Acceptance Criteria:

Testing shall be completed with approved test results as they pertain to the specific startup scoping system in accordance with MNL-SU-801768-A001, UPF BNI Startup Test Program and corresponding UCN forms shall be completed (e.g., UCN-23311/ UCN-23622) indicating that test results have been approved. A summary of all completed scope, including the basis for the documentation demonstrating successful completion of the milestone scope shall be provided. For this milestone, consideration is being given for the non-critical system approved test results that have occurred earlier than were baselined.

SYSTEM TESTING COMPLETIONS	FY26 Q1	FY26 Q2	FY26 Q3	FY26 Q4
Quarterly Critical Systems	0	2	3	6
Cumulative Critical System Count	0	2	5	11
Quarterly Non-Critical System Count	5	14	16	20
Cumulative Non-Critical System Count	5	19	35	55
QUARTERLY TOTAL SYSTEM COUNT	5	16	19	26
CUMULATIVE TOTAL SYSTEM COUNT	5	21	40	66

Exclusions:

N/A.

Assumptions:

None.

UPF FY 2026 ANNEX

Activity Number:	UPF.11-01																																					
Activity Name:	Complete FY26 Q2 Construction Turnovers & System Testing Milestones																																					
Due Date:	FY 2026/Q2																																					
Fee Amount:	\$1,807,531																																					
Owner:	James Barnard, Alf Nuzzolo, and Tomy Nazario																																					
Contract Performance Outcome: *FIRE PROTECTION ROD SYSTEMS: All fire systems listed in the UPF Fire Suppression Systems Plan for Activation Record of Decision (ROD-EZ-801768-A003) shall be treated as critical systems and activated by Q2 of FY26. C2SUTO: Complete the cumulative total of Construction to Startup turnovers listed below. Punchlist items, systems inspections, walkdowns, and turnover actions shall be performed and documented in accordance with Y15-95-912, UPF Completion and Turnover. SYSTEM TEST COMPLETIONS: Complete the cumulative total of system testing with approved test results in accordance with MNL-SU-801768-A001.																																						
Background/Justification: FY26 systems turnovers and testing are required to demonstrate system functionality through startup testing, which drives commissioning activities in FY26/27. <u>Critical System Turnover:</u> Defined as C2SUTO and system testing activities that shall be accomplished this quarter. These include systems with 37 days or less of float or that meet the definition of Critical Support Systems or Key Systems. • Critical Support Systems: Utility or control systems that must be functional in order to test and operate (as required) a significant number of facility processes. • Key Systems: Complex mission/key performance parameter (KPP) related systems for enabling UPF to perform its function. Completion of these systems should be closely tracked/monitored and may warrant additional reporting. <u>Non-Critical System Turnover:</u> All other C2SUTO and system testing activities baselined to complete this quarter not falling under the critical system listing.																																						
P6 Activity ID: <table><tr><th colspan="3">*CRITICAL FP ROD SYSTEM NUMBER = 33</th></tr><tr><th>Activity ID</th><th>Description</th><th>System</th></tr><tr><td>Various</td><td>SAB - Wet Pipe Sprinkler System</td><td>WPS03-1</td></tr><tr><td>Various</td><td>SAB - Wet Pipe Sprinkler System</td><td>WPS04-1</td></tr><tr><td>Various</td><td>SAB - Wet Pipe Sprinkler System</td><td>WPS05-1</td></tr><tr><td>Various</td><td>SAB - Wet Pipe Sprinkler System</td><td>WPS06-1</td></tr><tr><td>Various</td><td>SAB - Wet Pipe Sprinkler System</td><td>WPS07-1</td></tr><tr><td>Various</td><td>PSB - Wet Pipe Sprinkler System</td><td>WPS08-1</td></tr><tr><td>Various</td><td>SAB - Wet Pipe Sprinkler System</td><td>WPS09-1</td></tr><tr><td>Various</td><td>MPB - Wet Pipe Sprinkler System</td><td>WPS09-2</td></tr><tr><td>Various</td><td>SAB - Wet Pipe Sprinkler System</td><td>WPS10-1</td></tr><tr><td>Various</td><td>MPB - Wet Pipe Sprinkler System</td><td>WPS10-2</td></tr></table>			*CRITICAL FP ROD SYSTEM NUMBER = 33			Activity ID	Description	System	Various	SAB - Wet Pipe Sprinkler System	WPS03-1	Various	SAB - Wet Pipe Sprinkler System	WPS04-1	Various	SAB - Wet Pipe Sprinkler System	WPS05-1	Various	SAB - Wet Pipe Sprinkler System	WPS06-1	Various	SAB - Wet Pipe Sprinkler System	WPS07-1	Various	PSB - Wet Pipe Sprinkler System	WPS08-1	Various	SAB - Wet Pipe Sprinkler System	WPS09-1	Various	MPB - Wet Pipe Sprinkler System	WPS09-2	Various	SAB - Wet Pipe Sprinkler System	WPS10-1	Various	MPB - Wet Pipe Sprinkler System	WPS10-2
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Various	SAB - Wet Pipe Sprinkler System	WPS03-1																																				
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Various	PSB - Wet Pipe Sprinkler System	WPS08-1																																				
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Various	MPB - Wet Pipe Sprinkler System	WPS09-2																																				
Various	SAB - Wet Pipe Sprinkler System	WPS10-1																																				
Various	MPB - Wet Pipe Sprinkler System	WPS10-2																																				

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Various	SAB - Wet Pipe Sprinkler System	WPS11-1
Various	MPB - Wet Pipe Sprinkler System	WPS11-2
Various	SAB - Wet Pipe Sprinkler System	WPS12-1
Various	MPB - Wet Pipe Sprinkler System	WPS12-2
Various	SAB - Wet Pipe Sprinkler System	WPS13-1
Various	MPB - Wet Pipe Sprinkler System	WPS13-2
Various	SAB - Wet Pipe Sprinkler System	WPS14-1
Various	MPB - Wet Pipe Sprinkler System	WPS14-2
Various	SAB - Wet Pipe Sprinkler System	WPS15-1
Various	MPB - Wet Pipe Sprinkler System	WPS15-2
Various	SAB - Wet Pipe Sprinkler System	WPS16-1
Various	MPB - Wet Pipe Sprinkler System	WPS16-2
Various	SAB - Wet Pipe Sprinkler System	WPS17-1
Various	MPB - Wet Pipe Sprinkler System	WPS17-2
Various	SAB - Wet Pipe Sprinkler System	WPS18-1
Various	MPB - Wet Pipe Sprinkler System	WPS18-2
Various	SAB - Wet Pipe Sprinkler System	WPS19-1
Various	MPB - Wet Pipe Sprinkler System	WPS19-2
Various	SAB - Wet Pipe Sprinkler System	WPS20-1
Various	SAB - Pre-Action Sprinkler System	PAS01-1
Various	PSB - Dry Pipe Sprinkler System	DPS01-1
Various	SAB - Fire Water Distribution	FWD01-1
Various	SAB - Fire Water Distribution	FWD01-2

C2SUTO		
CRITICAL SYSTEMS = 3		
Activity ID	Description	System
STMMC1T25	MPB - Approve / Accept Construction T/O Pkg - CST.CAST1-1	CAST1-1
STMCWMT119	MPB - Approve / Accept Construction T/O Pkg - CW-13	CW-13
STPCWSTT25	PSB - Approve / Accept Construction T/O Pkg - CW-4	CW-4

C2SUTO		
NON-CRITICAL SYSTEMS = 35		
Activity ID	Description	System
STPCAAT99	PSB - Approve / Accept Construction T/O Pkg - CAAS-2	CAAS-2
STSTCTST25	SAB - Approve / Accept Construction T/O Pkg - CTN-2	CTN-2
STMCTMT98	MPB - Approve / Accept Construction T/O Pkg - CTN-3	CTN-3
STSDECT25	SAB - Approve / Accept Construction T/O Pkg - CMREC.DEC-1	DEC-1
STPDRSTT25	PSB - Approve / Accept Construction T/O Pkg - DR-4	DR-4
STPDTLT25	PSB - Approve / Accept Construction T/O Pkg - DTLN-2	DTLN-2
STPENSTT25	PSB - Approve / Accept Construction T/O Pkg - ENS-5	ENS-5
STMFLBT102	HCON - Approve / Accept Construction T/O Pkg - FLM-4	FLM-4
STSFRNT25	MPB - Approve / Accept Construction T/O Pkg - CMREC.FRN-1	FRN-1
STMFW3T25	FTP - Approve / Accept Construction T/O Pkg - FWD03-1	FWD03-1

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STSGBST25	SAB - Approve / Accept Construction T/O Pkg - GBEQ-2	GBEQ-2
STSGHT25	MPB - Approve / Accept Construction T/O Pkg - GH-1	GH-1
STSHVOT25	SAB - Approve / Accept Construction T/O Pkg - HVOAS-2	HVOAS-2
STMIDMT25	MPB - Approve / Accept Construction T/O Pkg - SEC.IDAS-5	IDAS-5
STMLVMT372	MPB - Approve / Accept Construction T/O Pkg - LVP-37	LVP-37
STSLVPT392	SAB - Approve / Accept Construction T/O Pkg - LVP-38	LVP-38
STSMWST07	SAB - Approve / Accept Construction T/O Pkg - MW-1	MW-1
STMNAMT25	MPB - Approve / Accept Construction T/O Pkg - NA-2	NA-2
STMNHT25	MPB - Approve / Accept Construction T/O Pkg - NH-2	NH-2
STSPANT25	SAB - Approve / Accept Construction T/O Pkg - CMREC.PAN-1	PAN-1
STMPCW25	MPB - Approve / Accept Construction T/O Pkg - CMREC.PCW-2	PCW-2
STIPID3T25	MPB - Approve / Accept Construction T/O Pkg - PIDAS-3	PIDAS-3
STSPST25	SAB - Approve / Accept Construction T/O Pkg - CMREC.PS-1	PS-1
STSRCMT25	SAB - Approve / Accept Construction T/O Pkg - RCM-1	RCM-1
STSREPT25	MPB - Approve / Accept Construction T/O Pkg - CMREC.REP-1	REP-1
STMSSMT119	MPB - Approve / Accept Construction T/O Pkg - SSW-8	SSW-8
STSSTKT25	SAB - Approve / Accept Construction T/O Pkg (including SMS) - STSTK-1	STSTK-1
STSSWBT25	SAB - Approve / Accept Construction T/O Pkg - SW-3	SW-3
STPSWTT25	PSB - Approve / Accept Construction T/O Pkg - SW-5	SW-5
STPUTNTT25	PSB - Approve / Accept Construction T/O Pkg - UTN-5	UTN-5
STSWPT25	SAB - Approve / Accept Construction T/O Pkg - CMREC.WP-1	WP-1
STMWPT25	MPB - Approve / Accept Construction T/O Pkg - CMREC.WP-2	WP-2
STPYIDCT25	PSB - Approve / Accept Construction T/O Pkg - SEC.YVIDC-2	YVIDC-2
STMVIDCT25	MPB - Approve / Accept Construction T/O Pkg - SEC.YVIDC-4	YVIDC-4
STMVIDUT25	MPB - Approve / Accept Construction T/O Pkg - SEC.YVIDU-3	YVIDU-3

TESTING SYSTEMS		
CRITICAL SYSTEMS = 2		
Activity ID	Description	System
STSLVBT55	SAB - Approve Test Results - LVP	LVP
STMYAMT55	MPB - Approve Test Results - YA	YA

TESTING SYSTEMS		
NON-CRITICAL SYSTEMS = 14		
Activity ID	Description	System
STPSECST55	PSB - Approve Test Results - SEC.SECAS	SEC.SECAS
STMSECT55	MPB - Approve Test Results - SEC.SECAS (PSF)	SEC.SECAS
STFUTNT55	FTP - Approve Test Results - UTN	UTN
STFENST55	FTP - Approve Test Results - ENS	ENS
STMNNMT55	MPB - Approve Test Results - NN	NN
STPVIDUT55	PSB - Approve Test Results - SEC.YVIDU	SEC.YVIDU
STFUTRT55	FTP - Approve Test Results - UTR	UTR
STDSPGL55	SDG - Approve Test Results - SPG (PIDAS Loss of Power)	SPG
STSYASFT55	SAB - Approve Test Results - YAF	YAF

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STMVIDUT56	MPB - Approve Test Results - SEC.YVIDU (PSF)	SEC.YVIDU
STYNNT55	MPB Yard - Approve Test Results - NN (PGY)	NN
STSLFBT55	SAB - Approve Test Results - LIFT	LIFT
STPTVSTT55	PSB - Approve Test Results - SEC.TVS	SEC.TVS
STMNAMT55	MPB - Approve Test Results - NA	NA

Notes:

Non-critical systems/boundaries may be rescoped as required to progress overall system testing and turnover to Commissioning. However, any systems/boundaries that need to be revised after annex acceptance, shall require CCO notification and approval. The CCO approval of the revision shall be memorialized in the evidence package. For purposes of achieving total FY or quarterly count for systems turnover and/or systems testing, proposals to substitute FY26 non-critical systems with FY27 systems shall require CCO notification and approval. Substituted systems must be accompanied by adequate justification in the evidence package showing that progress of the work is not hindered or lessened by the substitution.

Fire Protection (FP) ROD Systems Acceptance Criteria:

All fire systems listed in the UPF Fire Suppression Systems Plan for Activation Record of Decision (ROD-EZ-801768-A003) shall be activated by Q2 of FY26. This shall include all FY25 and FY26 ROD fire systems. Activation shall include the signed contractor material and test certificate (CMTC).

C2SUTO Acceptance Criteria:

Turnover packages shall be provided as evidence documenting the completed scope. The Contractor shall identify construction scope by applicable Construction Turnover Packages (per Y15-95-912, UPF Completion and Turnover), associated inspection records and documented status of each (open, closed and pending). A summary of all completed scope, including the basis for the documentation demonstrating successful completion of the milestone scope shall be provided. No punchlist "A" items, and any punchlist "B" items shall be reviewed by CCO. Startup shall accept the system in accordance with Y15-95-912, and the system will support downstream testing activities.

C2SUTO	FY26 Q1	FY26 Q2	FY26 Q3	FY26 Q4
Quarterly Critical Systems	5	3	2	36
Cumulative Critical System Count	5	8	10	46
Quarterly Non-Critical System Count	31	35	39	22
Cumulative Non-Critical System Count	31	66	105	127
QUARTERLY TOTAL SYSTEM COUNT	36	38	41	58
CUMULATIVE TOTAL SYSTEM COUNT	36	74	115	173

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System Testing Completions Acceptance Criteria:

Testing shall be completed with approved test results as they pertain to the specific startup scoping system in accordance with MNL-SU-801768-A001, UPF BNI Startup Test Program and corresponding UCN forms shall be completed (e.g., UCN-23311/ UCN-23622) indicating that test results have been approved. A summary of all completed scope, including the basis for the documentation demonstrating successful completion of the milestone scope shall be provided. For this milestone, consideration is being given for the non-critical system approved test results that have occurred earlier than were baselined.

SYSTEM TESTING COMPLETIONS	FY26 Q1	FY26 Q2	FY26 Q3	FY26 Q4
Quarterly Critical Systems	0	2	3	6
Cumulative Critical System Count	0	2	5	11
Quarterly Non-Critical System Count	5	14	16	20
Cumulative Non-Critical System Count	5	19	35	55
QUARTERLY TOTAL SYSTEM COUNT	5	16	19	26
CUMULATIVE TOTAL SYSTEM COUNT	5	21	40	66

Exclusions:

N/A.

Assumptions:

All FY25 and FY26 ROD fire systems shall be completed in addition to FY26 Q2 Cumulative C2SUTO and SYSTEM TESTING System Counts.

UPF FY 2026 ANNEX

Activity Number:	UPF.12-01	
Activity Name:	Complete FY26 Q3 Construction Turnovers & System Testing Milestones	
Due Date:	FY 2026/Q3	
Fee Amount:	\$2,008,368	
Owner:	James Barnard, Alf Nuzzolo, and Tomy Nazario	
Contract Performance Outcome:		
C2SUTO: Complete the cumulative total of Construction to Startup turnovers listed below. Punchlist items, systems inspections, walkdowns, and turnover actions shall be performed and documented in accordance with Y15-95-912, UPF Completion and Turnover. SYSTEM TEST COMPLETIONS: Complete the cumulative total of system testing with approved test results in accordance with MNL-SU-801768-A001.		
Background/Justification:		
FY26 systems turnovers and testing are required to demonstrate system functionality through startup testing, which drives commissioning activities in FY26/27. <u>Critical System Turnover:</u> Defined as C2SUTO and system testing activities that shall be accomplished this quarter. These include systems with 37 days or less of float or that meet the definition of Critical Support Systems or Key Systems. - Critical Support Systems: Utility or control systems that must be functional in order to test and operate (as required) a significant number of facility processes. - Key Systems: Complex mission/key performance parameter (KPP) related systems for enabling UPF to perform its function. Completion of these systems should be closely tracked/monitored and may warrant additional reporting. <u>Non-Critical System Turnover:</u> All other C2SUTO and system testing activities baselined to complete this quarter not falling under the critical system listing.		
P6 Activity ID:		
C2SUTO		
CRITICAL SYSTEMS = 2		
Activity ID	Description	System
STMMWMT25	MPB - Approve / Accept Construction T/O Pkg - MWD-2	MWD-2
STMSAMT25	MPB - Approve / Accept Construction T/O Pkg - CST.SAM-1	SAM-1
C2SUTO		
NON-CRITICAL SYSTEMS = 39		
Activity ID	Description	System
STMARCT25	MPB - Approve / Accept Construction T/O Pkg - ARC-1	ARC-1
STMBAST25	MPB - Approve / Accept Construction T/O Pkg - CST.BAS-1	BAS-1
STMB CST25	MPB - Approve / Accept Construction T/O Pkg - BCS-4	BCS-4
STSB LT25	SAB - Approve / Accept Construction T/O Pkg - CMREC.BL-1	BL-1
STSCFST25	SAB - Approve / Accept Construction T/O Pkg - CMREC.CF-1	CF-1
STSCFCT25	SAB - Approve / Accept Construction T/O Pkg - CMREC.CFC-1	CFC-1

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STMDRMT25	MPB - Approve / Accept Construction T/O Pkg - DR-3	DR-3
STSFI25	SAB - Approve / Accept Construction T/O Pkg - FIR-3	FIR-3
CPSBFIR25	PSB - Approve / Accept Construction T/O Pkg - FIR-7	FIR-7
STSFI25	SAB - Approve / Accept Construction T/O Pkg - CMREC.FS-1	FS-1
STMHVOT25	MPB - Approve / Accept Construction T/O Pkg - HVOAS-4	HVOAS-4
STSHVOT117	SAB - Approve / Accept Construction T/O Pkg - HVOAS-5	HVOAS-5
STSHVUT07	SAB - Approve / Accept Construction T/O Pkg - HVUF-13	HVUF-13
STSHVUT11	SAB - Approve / Accept Construction T/O Pkg - HVUF-14	HVUF-14
STSHVUT14	SAB - Approve / Accept Construction T/O Pkg - HVUF-15	HVUF-15
STSHVUT26	SAB - Approve / Accept Construction T/O Pkg - HVUF-18	HVUF-18
STMHVUT25	MPB - Approve / Accept Construction T/O Pkg - HVUF-20	HVUF-20
STMLFMT25	MPB - Approve / Accept Construction T/O Pkg - LIFT-4	LIFT-4
STMNDAT25	MPB - Approve / Accept Construction T/O Pkg - CMREC.NDA-2	NDA-2
STMNFCT25	MPB - Approve / Accept Construction T/O Pkg - CMREC.NFC-2	NFC-2
STMPAMT25	MPB - Approve / Accept Construction T/O Pkg - PA-3	PA-3
STMPANT25	MPB - Approve / Accept Construction T/O Pkg - CMREC.PAN-3	PAN-3
STSPCST07	SAB - Approve / Accept Construction T/O Pkg - PCS-1	PCS-1
STSPCST11	SAB - Approve / Accept Construction T/O Pkg - PCS-2	PCS-2
STIPID2T25	MPB - Approve / Accept Construction T/O Pkg - PIDAS-2	PIDAS-2
STMPKT079	MPB - Approve / Accept Construction T/O Pkg - PK-1	PK-1
STMPMST25	MPB - Approve / Accept Construction T/O Pkg - SEC.PMS-3	PMS-3
STMREVT25	MPB - Approve / Accept Construction T/O Pkg - CMREC.REV-2	REV-2
STSSCST25	SAB - Approve / Accept Construction T/O Pkg - SCS-1	SCS-1
STMSDMT25	MPB - Approve / Accept Construction T/O Pkg - SEC.SECAD-3	SECAD-3
STHSEW1T25	HCON - Approve / Accept Construction T/O Pkg - SSEW-1	SSEW-1
STMSTKT25	MPB - Approve/Accept Construction T/O Pkg (including SMS) - STSTK-2	STSTK-2
STFSWT25	FTP - Approve / Accept Construction T/O Pkg - SW-10	SW-10
STSTVBT25	SAB - Approve / Accept Construction T/O Pkg - SEC.TVS-2	TVS-2
STMTVMT25	MPB - Approve / Accept Construction T/O Pkg - SEC.TVS-5	TVS-5
STSURBT25	SAB - Approve / Accept Construction T/O Pkg - UTR-4	UTR-4
STPUTRT25	PSB - Approve / Accept Construction T/O Pkg - UTR-5	UTR-5
STMVAT25	MPB - Approve / Accept Construction T/O Pkg - VA-1	VA-1
STFW21T25	FTP - Approve / Accept Construction T/O Pkg - WPS21-1	WPS21-1
TESTING SYSTEMS		
CRITICAL SYSTEMS = 3		
Activity ID	Description	System
STMMWMT55	MPB - Approve Test Results - MWD	MWD
STSMWBT55	SAB - Approve Test Results - MWD	MWD
STSSCBT55	SAB - Approve Test Results - SEC.SECAS	SEC.SECAS

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TESTING SYSTEMS		
NON-CRITICAL SYSTEMS = 16		
Activity ID	Description	System
STSUNBT55	SAB - Approve Test Results - UTN	UTN
STYNAT55	MPB Yard - Approve Test Results - NA (PGY)	NA
STSSWBT55	SAB - Approve Test Results - SW	SW
STSSSBT55	SAB - Approve Test Results - SSW	SSW
STYNHT55	MPB Yard - Approve Test Results - NH (PGY)	NH
STMNHT55	MPB - Approve Test Results - NH	NH
STSVDC999	SAB - Approve Test Results - SEC.YVIDC	SEC.YVIDC
STSGHT55	MPB - Approve Test Results - GH	GH
STMYFMT55	MPB - Approve Test Results - YAF	YAF
STPSSWT55	PSB - Approve Test Results - SSW	SSW
STPSWTT55	PSB - Approve Test Results - SW	SW
STSTVBT55	SAB - Approve Test Results - SEC.TVS	SEC.TVS
STSN DAT55	SAB - Approve Test Results - CMREC.NDA	CMREC.NDA
STMPOGT55	MPB - Approve Test Results - CMREC.POG	CMREC.POG
STMMWST55	MPB - Approve Test Results - MW	MW
STMTVST55	MPB - Approve Test Results - SEC.TVS (PSF)	SEC.TVS

Notes:

Non-critical systems/boundaries may be rescoped as required to progress overall system testing and turnover to Commissioning. However, any systems/boundaries that need to be revised after annex acceptance, shall require CCO notification and approval. The CCO approval of the revision shall be memorialized in the evidence package. For purposes of achieving total FY or quarterly count for systems turnover and/or systems testing, proposals to substitute FY26 non-critical systems with FY27 systems shall require CCO notification and approval. Substituted systems must be accompanied by adequate justification in the evidence package showing that progress of the work is not hindered or lessened by the substitution.

C2SUTO Acceptance Criteria:

Turnover packages shall be provided as evidence documenting the completed scope. The Contractor shall identify construction scope by applicable Construction Turnover Packages (per Y15-95-912, UPF Completion and Turnover), associated inspection records and documented status of each (open, closed and pending). A summary of all completed scope, including the basis for the documentation demonstrating successful completion of the milestone scope shall be provided. No punchlist “A” items, and any punchlist “B” items shall be reviewed by CCO. Startup accepts system in accordance with Y15-95-912, and system will support downstream testing activities.

C2SUTO	FY26 Q1	FY26 Q2	FY26 Q3	FY26 Q4
Quarterly Critical Systems	5	3	2	36
Cumulative Critical System Count	5	8	10	46
Quarterly Non-Critical System Count	31	35	39	22
Cumulative Non-Critical System Count	31	66	105	127
QUARTERLY TOTAL SYSTEM COUNT	36	38	41	58
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System Testing Completions Acceptance Criteria:

Testing shall be completed with approved test results as they pertain to the specific startup scoping system in accordance with MNL-SU-801768-A001, UPF BNI Startup Test Program and corresponding UCN forms shall be completed (e.g., UCN-23311/ UCN-23622) indicating that test results have been approved. A summary of all completed scope, including the basis for the documentation demonstrating successful completion of the milestone scope shall be provided. For this milestone, consideration is being given for the non-critical system approved test results that have occurred earlier than were baselined.

SYSTEM TESTING COMPLETIONS	FY26 Q1	FY26 Q2	FY26 Q3	FY26 Q4
Quarterly Critical Systems	0	2	3	6
Cumulative Critical System Count	0	2	5	11
Quarterly Non-Critical System Count	5	14	16	20
Cumulative Non-Critical System Count	5	19	35	55
QUARTERLY TOTAL SYSTEM COUNT	5	16	19	26
CUMULATIVE TOTAL SYSTEM COUNT	5	21	40	66

Exclusions:

N/A.

Assumptions:

None.

UPF FY 2026 ANNEX

Activity Number:	UPF.13-01	
Activity Name:	Complete FY26 Q4 Construction Turnovers & System Testing Milestones	
Due Date:	FY 2026/Q4	
Fee Amount:	\$2,811,716	
Owner:	James Barnard, Alf Nuzzolo, and Tomy Nazario	
Contract Performance Outcome:		
C2SUTO: Complete the cumulative total of Construction to Startup turnovers listed below. Punchlist items, systems inspections, walkdowns, and turnover actions shall be performed and documented in accordance with Y15-95-912, UPF Completion and Turnover.		
SYSTEM TEST COMPLETIONS: Complete the cumulative total of system testing with approved test results in accordance with MNL-SU-801768-A001.		
Background/Justification:		
FY26 systems turnovers and testing are required to demonstrate system functionality through startup testing, which drives commissioning activities in FY26/27.		
<u>Critical System Turnover:</u> Defined as C2SUTO and system testing activities that shall be accomplished this quarter. These include systems with 37 days or less of float or that meet the definition of Critical Support Systems or Key Systems.		
• Critical Support Systems: Utility or control systems that must be functional in order to test and operate (as required) a significant number of facility processes. • Key Systems: Complex mission/key performance parameter (KPP) related systems for enabling UPF to perform its function. Completion of these systems should be closely tracked/monitored and may warrant additional reporting.		
<u>Non-Critical System Turnover:</u> All other C2SUTO and system testing activities baselined to complete this quarter not falling under the critical system listing.		
P6 Activity ID:		
C2SUTO		
CRITICAL SYSTEMS = 36		
Activity ID	Description	System
STMBMUT25	MPB - Approve / Accept Construction T/O Pkg - CST.BMU-1	BMU-1
STSCALT25	SAB - Approve / Accept Construction T/O Pkg - CMREC.CAL-1	CAL-1
STSCAL2T25	SAB - Approve/Accept Construction T/O Pkg - CMREC.CAL-2	CAL-2
STMCMC2T25	MPB - Approve / Accept Construction T/O Pkg - CST.CAST2-1	CAST2-1
STMCMC3T25	MPB - Approve / Accept Construction T/O Pkg - CST.CAST3-1	CAST3-1
STMCMC4T25	MPB - Approve / Accept Construction T/O Pkg - CST.CAST4-1	CAST4-1
STMCRPT25	MPB - Approve / Accept Construction T/O Pkg - CST.CRP-1	CRP-1
STSHVMT07	SAB - Approve / Accept Construction T/O Pkg - HVMAA-2	HVMAA-2
STSHVMT11	SAB - Approve / Accept Construction T/O Pkg - HVMAA-3	HVMAA-3
STSHVMT14	SAB - Approve / Accept Construction T/O Pkg - HVMAA-4	HVMAA-4
STMHVMT079	MPB - Approve / Accept Construction T/O Pkg - HVMAA-5	HVMAA-5
STMHVMT119	MPB - Approve / Accept Construction T/O Pkg - HVMAA-7	HVMAA-7
STMHVST25	MPB - Approve / Accept Construction T/O Pkg - HVSP-1	HVSP-1

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STMOMPT25	MPB - Approve / Accept Construction T/O Pkg - SOX.OMP-1 OMP Convers	OMP-1
STMOMPT107	MPB - Approve Accept Construction T/O Pkg - SOX.OMP-2 Dissolution	OMP-2
STMOMPT137	MPB - Approve/Accept Construction T/O Pkg - SOX.OMP-3 Sintering	OMP-3
STMOMPT167	MPB - Approve/Accept Construction T/O Pkg - SOX.OMP-4 Accountability	OMP-4
STMOMPT197	MPB - Approve/Accept Construction T/O Pkg - SOX.OMP-5 Precipitation	OMP-5
STMOMPT237	MPB - Approve/Accept Construction T/O Pkg - SOX.OMP-6 Prod Pkg/Sizing	OMP-6
STMPCST25	MPB - Approve / Accept Construction T/O Pkg - PCS-4	PCS-4
STSPOGT25	SAB - Approve / Accept Construction T/O Pkg - CMREC.POG-1	POG-1
STMPOGT25	MPB - Approve / Accept Construction T/O Pkg - CMREC.POG-2	POG-2
STSREVT25	SAB - Approve / Accept Construction T/O Pkg - CMREC.REV-1	REV-1
STMSCST25	MPB - Approve / Accept Construction T/O Pkg - SCS-2	SCS-2
STSSDST25	SAB - Approve / Accept Construction T/O Pkg - SDRS-1	SDRS-1
STMSDRT25	MPB - Approve / Accept Construction T/O Pkg - SDRS-2	SDRS-2
STMSMPT25	MPB - Approve / Accept Construction T/O Pkg - SOX.SMP-1 - SMP Purification	SMP-1
STMSMPT117	MPB - Approve / Accept Construction T/O Pkg - SOX.SMP-2 Basket Dissolution	SMP-2
STMSMPT147	MPB - Approve / Accept Construction T/O Pkg - SOX.SMP-3 Calcination	SMP-3
STMSMPT177	MPB - Approve / Accept Construction T/O Pkg - SOX.SMP-4 Accountability	SMP-4
STMSMPT207	MPB - Approve / Accept Construction T/O Pkg - SOX.SMP-5 Beaker Leaching	SMP-5
STMSMPT237	MPB - Approve / Accept Construction T/O Pkg - SOX.SMP-6 Feed Sizing	SMP-6
STMHECT25	MPB - Approve / Accept Construction T/O Pkg - SOX.SMP-7 Calcination	SMP-7
STMTCST25	MPB - Approve / Accept Construction T/O Pkg - TCS-2	TCS-2
STSWWT25	SAB - Approve / Accept Construction T/O Pkg - CMREC.WW-1	WW-1
STMWWT25	MPB - Approve / Accept Construction T/O Pkg - CMREC.WW-2	WW-2

C2SUTO		
NON-CRITICAL SYSTEMS = 22		
Activity ID	Description	System
STPCAAT12	PSB - Approve / Accept Construction T/O Pkg - CAAS-5	CAAS-5
STMCFCT25	MPB - Approve / Accept Construction T/O Pkg - CMREC.CFC-2	CFC-2
STMCHST25	MPB - Approve / Accept Construction T/O Pkg - CMREC.CHS-2	CHS-2
STSEVST25	SAB - Approve / Accept Construction T/O Pkg - ELEV-2	ELEV-2
STPEVPT25	PSB - Approve / Accept Construction T/O Pkg - ELEV-3	ELEV-3
STSENB25	SAB - Approve / Accept Construction T/O Pkg - ENS-3	ENS-3
STMENMT25	MPB - Approve / Accept Construction T/O Pkg - ENS-4	ENS-4
STSHVUT18	SAB - Approve / Accept Construction T/O Pkg - HVUF-16	HVUF-16
STSHVUT22	SAB - Approve / Accept Construction T/O Pkg - HVUF-17	HVUF-17
STMHVU1T25	MPB - Approve / Accept Construction T/O Pkg - HVUF-21	HVUF-21
STMHVU2T25	MPB - Approve / Accept Construction T/O Pkg - HVUF-22	HVUF-22
STSIDBT25	SAB - Approve / Accept Construction T/O Pkg - SEC.IDAS-2	IDAS-2
STPIDAST25	PSB - Approve / Accept Construction T/O Pkg - SEC.IDAS-4	IDAS-4
STMP10T25	MPB - Approve / Accept Construction T/O Pkg - P10-2	P10-2
STSPMST25	SAB - Approve / Accept Construction T/O Pkg - SEC.PMS-1	PMS-1
STPPMST25	PSB - Approve / Accept Construction T/O Pkg - SEC.PMS-2	PMS-2

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STPRCMT25	PSB - Approve / Accept Construction T/O Pkg - RCM-3	RCM-3
STMRCMT25	MPB - Approve / Accept Construction T/O Pkg - RCM-4	RCM-4
CPSBSCD25	PSB - Approve / Accept Construction T/O Pkg - SEC.SECAD-1	SECAD-1
STMSWMT25	MPB - Approve / Accept Construction T/O Pkg - SW-4	SW-4
STSTCST25	SAB - Approve / Accept Construction T/O Pkg - TCS-1	TCS-1
STMURMT25	MPB - Approve / Accept Construction T/O Pkg - UTR-6	UTR-6
TESTING COMPLETIONS		
CRITICAL SYSTEMS = 6		
Activity ID	Description	System
STMCWMT55	MPB - Approve Test Results - CW	CW
STMSAMT55	MPB - Approve Test Results - CST.SAM	CST.SAM
STPCWSTT55	PSB - Approve Test Results - CW	CW
STSCWST55	SAB - Approve Test Results - CW	CW
STSTKT55	SAB - Approve Test Results (including SMS) - STSTK	STSTK
STSVIDUT55	SAB - Approve Test Results - SEC.YVIDU	SEC.YVIDU
TESTING COMPLETIONS		
NON-CRITICAL SYSTEMS = 20		
Activity ID	Description	System
STSAST55	SAB - Approve Test Results - AS	AS
STPUTNTT55	PSB - Approve Test Results - UTN	UTN
STSMWST55	SAB - Approve Test Results - MW	MW
STMMWDT55	MPB - Approve Test Results - MWD (PSF)	MWD
STSRCMT55	SAB - Approve Test Results - RCM	RCM
STMLFMT55	MPB - Approve Test Results - LIFT	LIFT
STSURBT55	SAB - Approve Test Results - UTR	UTR
STPRCMT55	PSB - Approve Test Results - RCM	RCM
STMNDAT55	MPB - Approve Test Results - CMREC.NDA	CMREC.NDA
STSNNMT55	SAB - Approve Test Results - NN	NN
STMTVMT55	MPB - Approve Test Results - SEC.TVS	SEC.TVS
STSP10T55	SAB - Approve Test Results - P10	P10
STMPCWMT55	MPB - Approve Test Results - CMREC.PCW	CMREC.PCW
STMWWT55	MPB - Approve Test Results - CMREC.WW	CM.REC.WW
STPUTRT55	PSB - Approve Test Results - UTR	UTR
STSTCTST55	SAB - Approve Test Results - CTN	CTN
STMPANT55	MPB - Approve Test Results - CMREC.PAN	CMREC.PAN
STSPCWMT55	SAB - Approve Test Results - CMREC.PCW	CMREC.PCW
STFSSWT55	FTP - Approve Test Results – SSW	SSW
CPSBSCD55	PSB - Approve Test Results - SEC.SECAD	SEC.SECAD

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Notes:

Non-critical systems/boundaries may be rescoped as required to progress overall system testing and turnover to Commissioning. However, any systems/boundaries that need to be revised after annex acceptance, shall require CCO notification and approval. The CCO approval of the revision shall be memorialized in the evidence package. For purposes of achieving total FY or quarterly count for systems turnover and/or systems testing, proposals to substitute FY26 non-critical systems with FY27 systems shall require CCO notification and approval. Substituted systems must be accompanied by adequate justification in the evidence package showing that progress of the work is not hindered or lessened by the substitution.

C2SUTO Acceptance Criteria:

Turnover packages shall be provided as evidence documenting the completed scope. The Contractor shall identify construction scope by applicable Construction Turnover Packages (per Y15-95-912, UPF Completion and Turnover), associated inspection records and documented status of each (open, closed and pending). A summary of all completed scope, including the basis for the documentation demonstrating successful completion of the milestone scope shall be provided. No punchlist "A" items, and any punchlist "B" items shall be reviewed by CCO. Startup accepts system in accordance with Y15-95-912, and system will support downstream testing activities.

C2SUTO	FY26 Q1	FY26 Q2	FY26 Q3	FY26 Q4
Quarterly Critical Systems	5	3	2	36
Cumulative Critical System Count	5	8	10	46
Quarterly Non-Critical System Count	31	35	39	22
Cumulative Non-Critical System Count	31	66	105	127
QUARTERLY TOTAL SYSTEM COUNT	36	38	41	58
CUMULATIVE TOTAL SYSTEM COUNT	36	74	115	173

System Testing Completions Acceptance Criteria:

Testing shall be completed with approved test results as they pertain to the specific startup scoping system in accordance with MNL-SU-801768-A001, UPF BNI Startup Test Program and corresponding UCN forms shall be completed (e.g., UCN-23311/ UCN-23622) indicating that test results have been approved. A summary of all completed scope, including the basis for the documentation demonstrating successful completion of the milestone scope shall be provided. For this milestone, consideration is being given for the non-critical system approved test results that have occurred earlier than were baselined.

SYSTEM TESTING COMPLETIONS	FY26 Q1	FY26 Q2	FY26 Q3	FY26 Q4
Quarterly Critical Systems	0	2	3	6
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QUARTERLY TOTAL SYSTEM COUNT	5	16	19	26
CUMULATIVE TOTAL SYSTEM COUNT	5	21	40	66

Exclusions:

N/A.

Assumptions:

None.

UPF FY 2026 ANNEX

Activity Number:	UPF.13-02
Activity Name:	Documented Safety Analysis & Technical Safety Requirements Revision 0 Ready to Issue
Due Date:	FY 2026/Q4
Fee Amount:	\$976,000
Owner:	James Barnard and Roy Schepens
Contract Performance Outcome: Documented Safety Analysis (DSA) Revision 0 and Technical Safety Requirements (TSR), Revision 0 are ready to issue.	
Background/Justification: This low float activity allows for Independent Verification Review (IVR) and NNSA review and approval of the DSA/TSR Rev. 0 and subsequent controls implementation. Both are needed to proceed with the UPF Project Operational Readiness Review and eventual startup.	
P6 Activity ID: UGDSAR025 (Perform Project Review & Comment Resolution of TSRs Revision 0) and UGDSAR097 (Project Review/comment resolution/Internal Quality review/ready to issue DSA Revision 0).	
Notes: Once the DSA and TSR are approved, this provides a description of UPF hazards and the controls to operate safely.	
Acceptance Criteria: DSA & TSR Revision 0 past comments (internal and external) have been resolved and are ready for IVR. DSA & TSR Revision 0 will be updated to incorporate approved Engineering Change Proposals, issued through December 2025, that affect the DSA and TSRs. DSA/TSR Revision 0 documents will also include evaluation of Chemical Decomposition and Energetic Events (UPF Trend Number 25-001, Chemical Decomposition, Quantitative Consequences, and Energetic Events – MPB).	
Exclusions: Calcliner off-gas modifications will not be included in the DSA Revision 0 to allow time for design, procurement, installation and testing to validate the design prior to incorporation into project documents. Deviation from assumptions and acceptance criteria (e.g., items deferred to DSA Rev. 1) will be evaluated by the NNSA Construction Contracting Officer for appropriateness prior to awarding fee associated with this milestone.	
Assumptions: All supporting DSA/TSR documents shall be updated and issued (e.g., Hazard Analyses and Fire Hazard Analysis Revision 0). Definition of comment resolution: Comments from all appropriate project reviewers have been dispositioned or implemented and the comment resolution package has been signed and issued to DMC.	

End of Schedule Objective Milestones

End of Annex

APPENDIX G

URANIUM PROCESSING FACILITY (UPF) PROJECT MANAGEMENT PLAN

[MODs 0015, 0075, 0201, 0373]

The Project Management Plan, *PL-PM-80 1768-A033 CNS Project Management Plan for the Uranium Processing Facility Project*, shall be contained and maintained under configuration control in PL-RM-801768-A0002 UPF Other Basis Records (OBR), pursuant with *UPO-95-A025 UPF Project Senior Management Change Control Board (SMCCB) Process*.

APPENDIX V

**AMENDMENT TO
MODIFICATION 269 SETTLEMENT AGREEMENT**

[Incorporated under Mod 0269, Added as Appendix V under Mod 0373]

This Settlement Agreement (the “Agreement”) Amendment is between the National Nuclear Security Administration (the “NNSA”), on behalf of the United States Government (the “Government”), and Consolidated Nuclear Security, LLC (“Contractor” or “CNS”) (each referred to herein as a “Party,” and, collectively as the “Parties”).

WHEREAS, the Government awarded Contractor contract DE-NA0001942 (“Contract”) under solicitation DE-SOL-0001458 on January 8, 2013, for the management and operation of the Y-12 National Security Complex (“Y-12”) and the Pantex Plant (“Pantex”) and the completion of the Uranium Processing Facility (“UPF”);

WHEREAS, Contractor on November 8, 2017, submitted to the Government a “Request for Recognition of Increased Scope and Proposal for Adjustment of Available Performance Incentive Fee” pursuant to DEAR 970.5243-1, Changes (Dec. 2000) requesting an equitable adjustment in the Performance Incentive Fee (PIF) values in the Contract for Fiscal Years 2015-2018;

WHEREAS, Contractor on June 22, 2021, submitted to the Government a “Request for Equitable Adjustment Related to Interim COVID-19 Impacts on the Uranium Processing Facility Project Cost and Schedule,” covering “known impacts” from the period of March 24, 2020, through February 21, 2021;

WHEREAS, the Contract was due to expire on September 30, 2021, and the Parties negotiated a six-month extension through March 31, 2022, with an option to extend performance for an additional six months to extend the period of performance through September 30, 2022; and said option was exercised;

WHEREAS, on November 3, 2021, Contractor submitted a Request for Equitable Adjustment on the Calciner Project Related to Construction Inefficiencies Due to COVID-19 Protocols for costs totaling \$2,526,590 associated with the reduced efficiency of Construction craft activities from the week ending August 9, 2020, through the week ending July 4, 2021;

WHEREAS, on January 26, 2022, Contractor submitted a Request for Equitable Adjustment on the Electrefining Project Related to Supply Chain Impacts Due to COVID-19 for costs totaling \$595,217 associated with the schedule extension caused by COVID-19 impacts to the supply chain;

WHEREAS, on January 26, 2022, Contractor submitted a Request for Equitable Adjustment on the Electrefining Project Related to Construction Inefficiencies Due to COVID-19 Protocols for costs totaling \$362,681 associated with the reduced efficiency of Construction craft from the week ending January 3, 2020, through the week ending July 4, 2021;

WHEREAS, Contractor on May 25, 2022, filed a Notice of Appeal with the Civilian Board of Contract Appeals (CBCA), docketed at CBCA 7413, challenging the Contracting Officer’s Final Decision pertaining to a cost disallowance of \$650,496 arising from supervision costs incurred by Contractor to oversee re- work performed at no cost by a piping fabrication subcontractor on a calciner system;

WHEREAS, on June 28, 2022, the Government requested a proposal from Contractor to again extend the period of performance of the contract for a three-year base-period for the continued management and operation of Y-12 and a two-year base period for the continued management and operation of Pantex, with two additional one-year options for management and operation of only Y-12 and one additional one-year option for management and operation of both Y-12 and Pantex;

WHEREAS, Contractor submitted to the Government a proposal for a multi-year contract extension on July 21, 2022, and included in said proposal a listing of “open contractual issues” Contractor desired to address during the extension negotiations including: “significant additional work required by the Contracting Officer and executed by CNS from Fiscal Year (FY) 2016 through FY2021”; unilateral actions (Modifications 0182 (May 26, 2021), 0238 (October 14, 2021), and 0252 (March 17, 2022)); and “a rebaseline of the costs and schedule for the Uranium Processing Facility (UPF)” as well as a renegotiation of the commercial terms for the UPF project under CLIN 0002 “in a manner that provides appropriate incentives to drive UPF to a successful completion”;

WHEREAS, Contractor, on August 31, 2022, submitted to the Government a “Request for Equitable Adjustment Related to Interim COVID-19 Impacts on the Uranium Processing Facility Cost and Schedule Resubmission,” covering “known impacts realized” from the period of March 2020 through May 2022; and

WHEREAS, the Parties intend to resolve and settle any and all of Contractor’s disputes, claims, requests for equitable adjustment set forth above, and any other assertions of entitlement of Contractor against the Government, including but not limited to fee claims of all varieties such as requests for equitable adjustments in the fee for the work, fee for cost incentives or schedule incentives, size of the fee pool, or award or incentive fee determinations, whether such claims are asserted or unasserted, under all CLINs, for all contract periods before the extension period beginning on October 1, 2022 (the “Released Claims”).

NOW THEREFORE, in consideration of the promises set forth herein and for good and valuable consideration, the Parties mutually agree as follows, with all of the foregoing recitals incorporated into this Agreement as operative terms as if restated below verbatim in numbered subsections:

- (a) One-time Lump Sum. In full resolution of the Released Claims, except for the Released Claims pertaining to the UPF which are addressed in paragraph (b) below, the Government will pay to Contractor \$52,882,162, which Contractor will be able to draw down in a lump sum on or after October 12, 2022. Five days before drawing down the funds, Contractor shall notify the Administrative Contracting Officer (ACO) of Contractor’s intent to draw down the funds.
- (b) UPF Settlement. In full resolution of the Released Claims pertaining to the UPF the Parties agree as follows:
 - a. Uranium Processing Facility (UPF) Earned Fee on Completed Scope
 - i. In addition to Contractor fee earned to date (\$23,894,688), \$11,056,601 of provisional fee shall be converted to Contractor earned fee from the paid provisional fee balance of \$39,906,389, based on final fee determination
 - ii. The Government's final fee determination for the Design Management Plan (DMP), Site Readiness (SR), Site Infrastructure and Services (SIS), Substation (SS), and Mechanical Electrical Building (MEB) was calculated using Contractor's August 2022 Month End (ME) actuals.

- iii. Contractor shall return the remaining balance of paid provisional fee totaling \$28,849,788 (\$39,906,389 - \$11,056,601), no later than seven days after the One-time Lump Sum payment described in paragraph (a), to the Government, and the Government agrees that the payment from the Contractor to the Government described in ii. above shall result in FY22 uncoded carryover that may be used as FY23 UPF budget.
 - iv. Contractor shall reduce fee accruals by \$102,488,552 (\$73,638,764 + \$28,849,788) to align with Government's final fee determination for authorized earned fee value.
- b. UPF Fee for Work to Go (Completion)
 - i. Contractor's "work to go" includes the Main Processing Facility (MPB), Salvage and Accountability Building (SAB), and Process Support Facility (PSF) subprojects.
 - ii. Any ability to earn fee under the Settlement Agreement dated September 30, 2022, is extinguished and the UPF Master Award Fee Plan – Annex - Stretch Goals (Part III, Section J, Appendix B, B-2) document represents the sole method by which the Contractor may earn fee for the completion of UPF project.
 - iii. Unless explicitly addressed in this Agreement, all other provisions, terms and conditions of the Contract, including UPF Fee Plan/Annexes, shall apply (Part III, Section J, Appendix B, B-2).
- (c) Release of Claims. Upon execution of this Agreement and the Modification, Contractor releases the Government and its contractors and their officers, agents, representatives, and employees from all of the Released Claims as defined above. Notwithstanding the foregoing and for the avoidance of doubt, nothing in the foregoing Release of Claims:
 - a. Is intended to make any determination of allowability of costs or release Contractor's entitlement to reimbursement of allowable costs; nor
 - b. Waive contractor's entitlement to fee to be earned under CLIN 0001 of the Contract for Government Fiscal Year 2022.
- (d) Dismissal of CBCA Appeal and Associated Costs and Attorneys' Fees. The Parties will file a joint motion with the CBCA seeking to dismiss the CBCA Appeal No. 7413 with prejudice within 10 days of execution of this Agreement. Each Party is responsible for its own costs and attorneys' fees in relation to the resolution of Contractor's appeal. For the avoidance of doubt, the settlement of CBCA Appeal No. 7413 shall not be deemed an admission of fault or negligence by either party, nor may the settlement be deemed precedential in any future determinations of allowable or unallowable costs by the Government.
- (e) Adequacy and Sufficiency of Consideration. The Parties acknowledge the adequacy and sufficiency of the consideration herein.
- (f) Availability of Appropriated Funds. The Government's obligations under this Agreement are subject to the limitation identified in Contract clause B-6, Availability of Appropriated Funds.
- (g) Integration. Other than the Modification, there are no collateral agreements, reservations, or understandings between the Government and Contractor, either expressed or implied, oral or written, except as specifically set forth herein. No modification to this Agreement shall be binding unless it is reduced to writing and signed by the authorized representatives of the Parties. This Agreement is the joint product of Contractor and the Government, and it shall not be construed against either Party on the ground of sole authorship.

- (h) No Admission of Liability. This Agreement does not constitute an admission of liability by either the Government or Contractor in relation to the Released Claims.
- (i) Representation and Binding Nature. All persons executing this Agreement confirm and state that they are duly authorized to execute this Agreement, have carefully read the foregoing, know the contents hereof, and sign their name freely. This Agreement shall be binding upon and inure to the benefit of each of the Parties, their heirs, executors, administrators, agents, representatives, attorneys, successors, assigns, subsidiaries, parents, and affiliates.
- (j) Exceptions. The Parties agree that specifically excluded from the scope and terms of the Released Claims under this Agreement are: (i) actions or claims involving fraud pursuant to the Contract Disputes Act of 1978, as amended; (ii) any criminal, administrative, or civil claims arising under internal revenue laws, Internal Revenue Service Code, or regulations promulgated thereunder, or any other tax-related claims; and (iii) any other claims or administrative remedies available to the Government; and (iv) any claims the Contractor may have for litigation costs, subcontract administration dispute resolution or termination settlement costs that require Government approval for payment and arise from facts and circumstances that, in whole or in part, predate October 1, 2022. Further, this Agreement does not preclude the Government from pursuing any investigations, claims, or remedies against Contractor under the Contract or otherwise, of whatsoever nature, if the Government becomes aware of any false or materially inaccurate facts or information provided by Contractor in relation to this Agreement or the subject matter addressed herein.
- (k) Counterparts. This Agreement may be executed in two counterparts, each of which, when so executed, shall be deemed to constitute an original and all of which, when taken together, shall constitute one and the same Agreement. Facsimile, and electronic copies of, signatures shall be deemed originals.
- (l) Execution and Effective Date. This Agreement shall not be binding until it is signed by both Parties. This Agreement shall become effective on the date it is signed by the last Party to sign, which shall constitute the Effective Date.

IN WITNESS WHEREOF, Contractor and the Government have caused this Agreement to be executed by their duly authorized officers and representatives, respectively, on the dates indicated below.

Consolidated Nuclear Security, LLC

National Nuclear Security Administration

By:

By:

Richard Tighe
President and Chief Executive Officer
Consolidated Nuclear Security, LLC

William (BJ) Quigley
Deputy Associate Administrator
Senior Procurement Executive
Office of Partnership and Acquisition Services
National Nuclear Security Administration

Date: _____

Date: _____