



**DEPARTMENT OF ENERGY
NATIONAL NUCLEAR SECURITY ADMINISTRATION
LOS ALAMOS SITE OFFICE**

**FY 2011 PERFORMANCE EVALUATION REPORT
FOR THE
LOS ALAMOS NATIONAL SECURITY, LLC'S
MANAGEMENT AND OPERATION
OF THE
LOS ALAMOS NATIONAL LABORATORY
CONTRACT No. DE-AC52-06NA25396
PERFORMANCE PERIOD
OCTOBER 1, 2010 THROUGH SEPTEMBER 30, 2011**

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I. BACKGROUND

This report assesses the performance of Los Alamos National Security LLC (LANS) for management and operation of Los Alamos National Laboratory (LANL) from October 1, 2010 through September 30, 2011, under Contract Number DE-AC52-06NA-25396.

The contract with LANS, awarded in December 2005, reflects a change in the National Nuclear Security Administration's (NNSA) philosophy for performance based contracting. Some of the major philosophy changes reflected are:

1. NNSA specifies "what" it wants rather than dictating to the contractor "how" to get it done.
2. There is an increased reliance on contractor assurance of its systems and operations, which includes a rigorous self-assessment process and significant involvement and oversight from LANS parent companies.
3. The liability for performance is shifted from the government to the contractor.

In 2011, LANS performance evaluation relies evenly between objective performance criteria denoting the "what" that NNSA desired accomplished, and subjective measures that qualitatively assess performance. In order to focus the contractor on government priorities, NNSA's goal is to identify the critical performance areas and metrics. For 2011, 18 sets of performance-based objectives were developed representing over 150 individual milestones and deliverables each with specific performance measures and associated fee, as well as areas of subjective evaluation. Most of the objective metrics/milestones/deliverables are "pass/fail"; that is, if the contractor achieves the performance measures, it earns specific incentive fee tied to the specific measure. If performance measures are not met then partial fee may be earned in some cases or no fee earned depending on how the task was defined. The subjective measures are qualitative assessments with a starting base of FY 2010 performance ratings, then taking into consideration FY 2011 performance records, achievements, disappointments, implementation, concerns, etc, over the year. Then adjustments are made (both positive and negative implications) to arrive at a final rating and recommended fee.

In this fifth full year of performance, it was essential for LANS to maintain momentum, improve upon prior year successes, and address known deficiencies as well as new challenges. FY 2011 marks the fourth year that LANS could earn an additional year of contract term, i.e., extending the expiration date of the contract. Award Term is considered a higher-order incentive in the interests of both the contractor and the government if performance meets NNSA expectations.

To ensure integration and cooperation across the NNSA complex, NNSA Headquarters developed one common objective set (a Multi-Site Incentive) that was used as a standard across the NNSA sites measuring complex-wide goals. This multi-Site incentive was included in this FY2011 performance plan for LANS.

In producing this report, LASO considered LANS own assessments and closure guidance, materials from monthly performance reviews held with the contractor, field assessments and audits, inspections, document reviews, facility walk downs, visual surveys, as well as DOE/NNSA Headquarters and other customers' input. Section III contains a summary of the fee awarded and award term decision. Section IV reflects LANS' achievement against the objectives and measures.

Under this contract, LANS also receives a fixed fee of 2.5% of the estimated cost of NNSA's total estimated budget for reimbursable projects. For FY 2011 the fixed fee amount for WFO is \$7,575,481. No incentive fee is paid for Work for Others (WFO) projects; however, LANS management of WFO as a portfolio and its facility and operations implications are addressed subjectively.

II. SUMMARY

LANS has had another strong performance year building on past successes and delivering on multiple fronts. An effective transition of the Laboratory Director occurred in FY 2011 and LANL continues to deliver outstanding contributions to science and technology and demonstrate leadership within the Nuclear Weapons Complex in direct support of the Stockpile Management Program. LANS achieved completion of the W88 Type 125 Pit Production Program of Record and met all application contributions to NNSA's Getting the Job Done in 2011 List. They also achieved a world-record for non-destructive magnetic pulses, led the DOE enterprise in peer-reviewed publications and received over 56 external awards, including three R&D 100 Awards. Operationally, LANS aggressively and effectively implemented upgrades to the Plutonium Facility at TA-55 to address newly identified seismic vulnerabilities and continuously improved the overall safety posture of the facility through materials consolidation, repackaging and other facility-related upgrades. A new record for TRU Waste Shipments to WIPP was achieved and D&D of legacy Plutonium facilities at TA-21 was completed utilizing American Recovery and Reinvestment Act (ARRA) funding. LANS' response to major unplanned operational emergencies including a natural gas service interruption and the Las Conchas Wildland Fires was exceptional. LANS executed over \$185M more in programmatic work as compared to FY10 executing over \$2.6B in total budget authority while working through seven continuing resolutions. LANS' performance in FY 2011 reflects another step in the multi-year effort to improve overall performance and efficiencies at LANL.

LANS has earned the fixed fee pool of \$26,009,570 as specified in Section B-2 (C) (4) of the contract. The Fee Determining Official (FDO) has awarded \$50,140,626.04 of performance fee, which is 83% of the LANS FY 2011 incentive fee pool of \$60,688,999. Furthermore, in recognition of LANS overall performance and satisfaction of the Award Term objectives and gateways, the FDO has awarded a one-year term extension to LANS for the LANL contract.

Highlights for general areas of performance include:

- **Multi-Site:** LANS demonstrated leadership and commitment to the complex in assisting the resolution of multiple challenges facing the Weapons Program. LANS completed all onsite deliverables required in support of the Multi-Site commitments and set an example for the NNSA complex in use of the Supply Chain Management System.
- **Programs/Science:** LANS has successfully continued the LANL history of high mission success and achievement. Customer feedback from NNSA and DOE headquarters continues to improve and reflect a high level of performance. Overall MRT performance was 95%, the number of peer reviewed publications was the highest since 2006, and MOX Pu Oxide production goals were exceeded. Improvements to moderate hazard R&D work planning and controls resulted in measurable improvements in safety performance. Environmental program performance exhibited sustained high performance levels with achievement of all Consent Order submissions and setting an all-time record for shipments to WIPP.
- **Operations:** Sustainment of prior-year initiatives, combined with LANS expertise, continues to change the culture and condition of operations and facilities at LANL. As noted, LANS response to PF-4 seismic vulnerabilities was effective in maintaining critical mission capabilities. LANS continues to pursue improvement goals and objectives with notable successes including emergency response performance, security program performance, improvements in readiness activities, record number of TRU waste shipments to WIPP, and worker safety continuous improvements. However, sustaining formality of operations across the entire suite of nuclear and high hazard facilities is an on-going challenge. Sustaining Project Management delivery performance, Criticality Safety, Safety Basis for Area G, an aging infrastructure, and configuration management are also areas of concern. LASO involvement and intervention continued to be relatively high throughout the year.

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- Business/Institutional Management: CAS maturation and integration of business processes and systems with programs, mission, and operations remain underway. LANS is collaboratively working with NNSA on Governance reforms and initiatives. LANS initiated acquisition planning and forecasting initiatives. However, the effectiveness of CAS needs to be further matured and additional opportunities to enhance performance and cost effectiveness across the institution must be pursued.
- American Recovery and Reinvestment Act (EM-funded): TA-21 D&D activities were completed ahead of schedule and under budget; however, MDA-B remediation proved a major challenge that required a significant amount of federal intervention. Additionally, financial management of the project was ineffective requiring a baseline change proposal for additional funding near the end of the project.
- Chemistry and Metallurgy Research Building Replacement Project CMRR: Beneficial occupancy of the Radiological Laboratory/Utility/Office Building (RLUOB) facility was achieved and LANS provided excellent technical and administrative support to NNSA for the Supplemental Environmental Impact Statement. LANS also collaborated with NNSA and Y-12 in developing synergies and efficiencies between CMRR and UPF. Concerns remain with overall RLUOB settlement costs in addition to recent deficiencies in Glovebox procurement and installation.
- Award Term: LANS successfully completed 4 out of the 5 of the discrete Award Term objective measures, including the mandatory Award Term measure. Overall success in Programs, Operations, Business and Subjective evaluation areas satisfied Award Term eligibility gateways.

FY 2011 Rating Scale

Attachment 2

In order to provide for consistency across the Complex, it is recommended that each site be required to utilize the four tier adjectival ratings and general definitions set forth below. The general definitions can be expanded upon as deemed appropriate by each site based on specific requirements.

Subjective Fee Evaluation		
Adjectival Rating for Subjective Evaluation	Adjectivally Rated At-Risk Award Fee Pool Available Range to be Earned	Adjectival Rating Common Definition
Outstanding	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 as defined and measured against the criteria in the award-fee plan for the award fee evaluation period.
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 as defined and measured against the criteria in the award-fee plan for the award-fee evaluation period.
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 as defined and measured against the criteria in the award-fee plan for the award-fee evaluation period.
Satisfactory	No Greater than 50%	Contractor has met overall cost, schedule and Technical performance requirements of the contract as defined and measured against the criteria in the award-fee plan for the award-fee evaluation period.
Unsatisfactory	0%	Contractor has failed to meet overall cost, schedule, and technical performance requirements of the contract as defined and measured against the criteria in the award-fee plan for the award-fee evaluation period.

III. FEE SUMMARY

FY 2011 FEE SUMMARY			
	Available	Awarded	% Awarded
Fixed Fee	\$ 26,009,570	\$ 26,009,570	100%
At-Risk Fee			83%
Objective	\$ 28,765,095	\$ 25,101,310	87%
Subjective	\$ 31,923,904	\$ 25,039,316	78%
Total Fee	\$ 86,698,569	\$ 76,150,196	88%

AT RISK FEE	Available	Fee Awarded	%
Multi-Site	\$6,068,900.00	\$6,068,900.00	100%
Program	\$22,578,993.00	\$19,970,865.14	88%
Operations	\$21,334,573.00	\$17,212,602.13	81%
Business	\$10,706,533.00	\$6,888,258.77	64%
Total	\$60,688,999.00	\$50,140,626.04	83%

FY 2011 SUBJECTIVE ESSENTIAL FEE SUMMARY				
Subjective At-Risk Fee	Program	Operations	Business/IM	OVERALL
Available	\$7,032,129.00	\$5,863,889.00	\$7,776,479.00	\$20,672,497.00
Earned	\$5,827,140.83	\$4,870,216.05	\$5,054,045.17	\$15,751,402.05
Unearned	\$1,204,988.17	\$993,672.95	\$2,722,433.83	\$4,921,094.95
% Earned	82.9%	83.1%	65.0%	76.2%
Final Adjectival Rating (Gateway)	VERY GOOD	VERY GOOD	GOOD	VERY GOOD

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Fee Breakdown per PBI

	Essential Fee			Stretch Fee			Total Fee		
	Possible Fee	Fee Awarded	% Achieved	Possible Fee	Fee Awarded	% Achieved	Possible Fee	Fee Awarded	% Achieved
PBI 1	\$6,068,900.00	\$6,068,900.00	100%	\$0.00	\$0.00	0%	\$6,068,900.00	\$6,068,900.00	100%
PBI 2	\$1,523,627.00	\$1,523,627.00	100%	\$1,717,012.00	\$1,588,871.12	93%	\$3,240,639.00	\$3,112,498.12	96%
PBI 3	\$2,930,054.00	\$2,402,644.00	82%	\$0.00	\$0.00	0%	\$2,930,054.00	\$2,402,644.00	82%
PBI 3 Subjective	\$1,172,021.00	\$722,021.00	62%	\$0.00	\$0.00	0%	\$1,172,021.00	\$722,021.00	62%
PBI 4	\$879,016.00	\$738,373.00	84%	\$293,005.00	\$293,005.00	100%	\$1,172,021.00	\$1,031,378.00	88%
PBI 5	\$820,415.00	\$564,915.00	69%	\$586,010.00	\$0.00	0%	\$1,406,425.00	\$564,915.00	40%
PBI 5 Subjective	\$0.00	\$0.00	0%	\$1,172,022.00	\$879,016.00	75%	\$1,172,022.00	\$879,016.00	75%
PBI 6	\$820,415.00	\$703,213.71	86%	\$586,011.00	\$234,404.00	40%	\$1,406,426.00	\$937,617.71	67%
PBI 7	\$2,988,654.00	\$2,663,956.60	89%	\$644,613.00	\$250,031.47	39%	\$3,633,267.00	\$2,913,988.07	80%
PBI 8	\$2,461,245.00	\$2,443,665.00	99%	\$234,404.00	\$234,404.00	100%	\$2,695,649.00	\$2,678,069.00	99%
PBI 9	\$1,875,235.00	\$1,875,235.00	100%	\$996,218.00	\$761,814.00	76%	\$2,871,453.00	\$2,637,049.00	92%
PBI 9 Subjective	\$175,803.00	\$160,000.00	91%	\$0.00	\$0.00	0%	\$175,803.00	\$160,000.00	91%
PBI 10	\$0.00	\$0.00	0%	\$2,930,054.00	\$1,834,213.60	63%	\$2,930,054.00	\$1,834,213.60	63%
PBI 11	\$5,274,097.00	\$4,812,114.33	91%	\$2,344,043.00	\$2,172,648.99	93%	\$7,618,140.00	\$6,984,763.32	92%
PBI 12	\$0.00	\$0.00	0%	\$3,516,064.00	\$3,413,365.80	97%	\$3,516,064.00	\$3,413,365.80	97%
PBI 13	\$4,688,086.00	\$3,760,216.05	80%	\$586,011.00	\$524,549.30	90%	\$5,274,097.00	\$4,284,765.35	81%
PBI 14	\$7,776,479.00	\$5,054,045.17	65%	\$0.00	\$0.00	0%	\$7,776,479.00	\$5,054,045.17	65%
PBI 15	\$234,404.00	\$0.00	0%	\$293,006.00	\$175,804.00	60%	\$527,410.00	\$175,804.00	33%
PBI 16	\$1,000,000.00	\$950,000.00	0%	\$0.00	\$0.00	0%	\$1,000,000.00	\$950,000.00	95%
PBI 18			0%	\$0.00	\$0.00	0%	\$0.00	\$0.00	0%
PBI 19	\$2,812,851.00	\$2,578,446.80	92%	\$0.00	\$0.00	0%	\$2,812,851.00	\$2,578,446.80	92%
PBI 19 Subjective	\$586,011.00	\$293,005.50	50%	\$703,213.00	\$464,120.60	66%	\$1,289,224.00	\$757,126.10	59%

OBJECTIVE	\$ 23,414,816.00	\$ 21,562,976.11	92%	\$ 5,350,279.00	\$ 3,538,333.59	66%	\$ 28,765,095.00	\$ 25,101,309.70	87%
SUBJECTIVE	\$ 20,672,497.00	\$ 15,751,402.05	76%	\$ 11,251,407.00	\$ 9,287,914.29	83%	\$ 31,923,904.00	\$ 25,039,316.34	78%
TOTAL	\$ 44,087,313.00	\$ 37,314,378.16	85%	\$ 16,601,686.00	\$12,826,247.88	77%	\$ 60,688,999.00	\$ 50,140,626.04	83%

Stretch Fee Eligibility

Focus Areas	STRETCH GATEWAY					
Program Essential Measures	→	Achieve ≥ 80% * Aggregate Mission Essential	PLUS	Mission Adjectival "Very Good" (Subjective Measures)	→	Program Stretch Eligible
Gateway Analysis		YES		YES		Eligible
Operations Essential Measures	→	Achieve ≥ 80% * Aggregate Operations Essential	PLUS	Operations Adjectival "Very Good" (Subjective Measures)	→	Operations Stretch Eligible
Gateway Analysis		YES		YES		Eligible
Business/IM Essential Measures	→	Achieve ≥ 80% * Aggregate Business Essential	PLUS	Business Adjectival "Very Good" (Subjective Measures)	→	Business/IM Stretch Eligible
Gateway Analysis		N/A		NO		Not Eligible

*Stretch gateways are not applicable to PBIs 10 and 12.

Eligibility for Fee and Award Term Consideration

Performance in Specific Award Term Objectives
GATEWAY to Award Term

PBI 18	Award Term Measures	Achieved
18.1	Multi-Year Plans for Laboratory Sustainability	Met
18.2	Demonstrate Leadership in Plutonium Science	Met
18.3	Delivery of CMRR and NMSSUP II	Not Met
18.4	Reduce Site Nuclear Safety and Worker Safety Risks	Met*
18.5	Strategic Supercomputing Application and Technologies	Met

*Mandatory Award Term Measure

Determination of Award Term (AT) Eligibility

Summary of Gateways	Gateway	Achieved
Aggregate Essential Objective Measures (Gateway #1)	Total % Achieved \geq 80%	Met
Aggregate Essential Subjective Measures (Gateway #2)	Total % Achieved \geq "Very Good"	Met
Award Term Objective Performance (Gateway #3)	Achieve 4 of 5	Met
Award Term Objective Performance (Gateway #4)	Achieve Mandatory Measure	Met

Met All Criteria
Yes



Award Term Eligible

IV. ASSESSMENT OF FY 2011 PERFORMANCE

PBI No. 1 MULTI-SITE INITIATIVES

PBI 1: Multi-Site Initiatives

Maximum Available Fee: **\$6,068,900**
 Fee Earned: **\$6,068,900.00**

PBI 1: Multi-Site Initiatives		AVAILABLE FEE	AWARDED FEE
		\$6,068,900.00	\$6,068,900.00 100%
		MULTI-SITE	MULTI-SITE
1.1.1	Ensure W76-1 LEP Production	\$1,058,755.00	\$1,058,755.00
1.1.2	Complete B61 LEP Phase 6.2/2A Study	\$1,058,755.00	\$1,058,755.00
1.1.3	Complete FY 2011 W78 Phase 6.1 Activities	\$117,639.00	\$117,639.00
1.1.4	Execute the Defined Surveillance Program	\$775,126.00	\$775,126.00
1.2.1	Business Transformation and Relocation of the Kansas City Plant	\$117,639.00	\$117,639.00
1.2.2	Complete NNSA-Approved Priority Activities	\$352,918.00	\$352,918.00
1.2.3	Implement Enterprise Wireless Project	\$235,279.00	\$235,279.00
1.2.4	Achieve NNSA BMAC Cost Savings	\$235,279.00	\$235,279.00
1.3.1	Achieve National Ignition Campaign FY 2011 Objectives	\$470,558.00	\$470,558.00
1.3.2	Demonstrate Key Physics for Certification	\$588,197.00	\$588,197.00
1.3.3	Complete Barolo Experiments	\$470,558.00	\$470,558.00
1.3.4	ASC Computer User Facility Access	\$588,197.00	\$588,197.00
		\$6,068,900.00	\$6,068,900.00

Completion/Validation Statements:

Measure 1.1 Stockpile

Measure 1.1.1 Ensure W76-1 LEP Production

Expectation Statement:

Ensure W76-1 LEP production remains on schedule as identified in PCD W76-01 2011-A (as revised) for deliveries to the U.S. Navy.

Completion Assessment:

LANS has submitted completion evidence denoting award of full fee. NNSA review has validated that this is appropriate.

Measure 1.1.2 Complete B61 LEP Phase 6.2/2A Study

Expectation Statement:

Complete B61 Phase 6.2/2A Option Down Select and Cost Study FY 2011 activities that enable a 2017 FPU.

Completion Assessment:

LANS has submitted completion evidence denoting award of full fee. NNSA review has validated that this is appropriate.

Measure 1.1.3 Complete FY 2011 W78 Phase 6.1 Activities

Expectation Statement:

Complete FY 2011 W78 Phase 6.1 activities.

Completion Assessment:

LANS has submitted completion evidence denoting award of full fee. NNSA review has validated that this is appropriate.

Measure 1.1.4 Execute the Defined Surveillance Program

Expectation Statement:

Execute the defined Surveillance Program.

Completion Assessment:

LANS has submitted completion evidence denoting award of full fee. NNSA review has validated that this is appropriate.

Measure 1.2 Enterprise Integration

Measure 1.2.1 Business Transformation and Relocation of Kansas City Plant

Expectation Statement:

Support business process transformation and relocation of the Kansas City Plant.

Completion Assessment:

LANS has submitted completion evidence denoting award of full fee. NNSA review has validated that this is appropriate.

Measure 1.2.2 Complete NNSA-Approved Priority Activities

Expectation Statement:

Successfully complete NNSA-approved priority activities to achieve enhanced efficiencies.

Completion Assessment:

LANS has submitted completion evidence denoting award of full fee. NNSA review has validated that this is appropriate.

Measure 1.2.3 Implement Enterprise Wireless Project

Expectation Statement:

Implement Enterprise Wireless Project.

Completion Assessment:

LANS has submitted completion evidence denoting award of full fee. NNSA review has validated that this is appropriate.

Measure 1.2.4 Achieve NNSA BMAC Savings

Expectation Statement:

Achieve cost savings of \$178M during FY 2011 for activities established by the NNSA Business Management Advisory Council (BMAC).

Completion Assessment:

LANS has submitted completion evidence denoting award of full fee. NNSA review has validated that this is appropriate.

Measure 1.3 Science

Measure 1.3.1 Achieve National Ignition Campaign FY 2011 Objectives

Expectation Statement:

Achieve National Ignition Campaign FY 2011 objectives.

Completion Assessment:

LANS has submitted completion evidence denoting award of full fee. NNSA review has validated that this is appropriate.

Measure 1.3.2 Demonstrate Key Physics for Certification

Expectation Statement:

Demonstrate key physics necessary for certification of an advanced surety method by September 30, 2011.

Completion Assessment:

LANS has submitted completion evidence denoting award of full fee. NNSA review has validated that this is appropriate.

Measure 1.3.3 Complete Barolo Experiments

Expectation Statement:

Complete Barolo experiments at U1a by March 31, 2011.

Completion Assessment:

LANS has submitted completion evidence denoting award of full fee. NNSA review has validated that this is appropriate.

Measure 1.3.4 Advanced Simulation and Computing

Expectation Statement:

Provide reliable, quality service and access to any NNSA laboratory from any NNSA-designated ASC national user facility, independent of the location of the computing resource being utilized.

Completion Assessment:

LANS has submitted completion evidence denoting award of full fee. NNSA review has validated that this is appropriate.

PBI No. 2 PROGRAM CAPABILITY RISK MANAGEMENT

PBI 2: Program Capability Risk Management

Maximum Available Fee: **\$3,240,639**
 Fee Earned: **\$3,112,498.12**

PBI 2: Program Capability Risk Management		AVAILABLE FEE \$3,240,639		AWARDED FEE \$3,112,498.12 96%	
		ESSENTIAL	STRETCH	ESSENTIAL	STRETCH
2.1.1	Integrated Nuclear Planning Workshops	\$234,404.00		\$234,404.00	
2.1.2	Integrated Nuclear Planning Strategies		\$234,404.00		\$234,404.00
2.2.1E	Implementation of Plutonium Infrastructure and Sustainment Plans	\$586,010.00		\$586,010.00	
2.2.1S	Implementation of Plutonium Infrastructure and Sustainment Plans		\$351,607.00		\$340,668.12
2.2.2	Plutonium Infrastructure and Sustainment Strategies	\$234,404.00		\$234,404.00	
2.3.1E	Implementation of Risk Mitigation	\$468,809.00		\$468,809.00	
2.3.1S	Implementation of Risk Mitigation		\$427,788.00		\$427,788.00
2.3.2	Risk Mitigation Strategies and Enhancements		\$586,011.00		\$586,011.00
2.3.3	Americium Box Processing		\$117,202.00		\$0.00
2.4	Contractor's Management System/Metrics				
		\$1,523,627.00	\$1,717,012.00	\$1,523,627.00	\$1,588,871.12

Completion/Validation Statements:

Measure 2.1 Integrated Nuclear Planning

Measure 2.1.1 Integrated Nuclear Planning Workshops

Expectation Statement:

Use INP Program Management processes to support management and integration of CMR and TA-55 program/infrastructure activities as well as to ensure program continuity and reduction of programmatic risk due to waste operations.

Completion Assessment:

LANS has submitted completion evidence denoting award of full fee. NNSA review has validated that this is appropriate.

Measure 2.1.2 Integrated Nuclear Planning Strategies

Expectation Statement:

Demonstrate effective Program and Project Management to ensure cost effective delivery of major projects.

Completion Assessment:

LANS has submitted completion evidence denoting award of full fee. NNSA review has validated that this is appropriate.

Measure 2.2 Plutonium Infrastructure and Sustainment

Measure 2.2.1 Essential Implementation of Plutonium Infrastructure and Sustainment Plans

Expectation Statement:

Demonstrate effective utilization of resources in balancing operational and program risks while maintaining minimum essential, mission critical CMR and TA-55 facility capabilities needed in support of the core NNSA mission and other DOE nuclear programs.

Completion Assessment:

LANS has submitted completion evidence denoting award of full fee. NNSA review has validated that this is appropriate.

Measure 2.2.1 Stretch Implementation of Plutonium Infrastructure and Sustainment Plans

Expectation Statement:

Demonstrate effective utilization of resources in balancing operational and program risks while maintaining minimum essential, mission critical CMR and TA-55 facility capabilities needed in support of the core NNSA mission and other DOE nuclear programs.

Completion Assessment:

LANS has submitted completion evidence denoting award of partial fee. NNSA review has validated that this is appropriate.

Measure 2.2.2 Plutonium Infrastructure and Sustainment Strategies

Expectation Statement:

Demonstrate strategic planning to sustain the plutonium infrastructure through identification and development of priority project activities and productivity improvements.

Completion Assessment:

LANS has submitted completion evidence denoting award of full fee. NNSA review has validated that this is appropriate.

Measure 2.3 Risk Mitigation

Measure 2.3.1 Implementation of Risk Mitigation

Expectation Statement:

Demonstrate effective utilization of resources in balancing operational and program risks while maintaining minimum essential, mission critical operations and facility capabilities needed in support of the core NNSA mission and other DOE nuclear programs.

Completion Assessment:

LANS has submitted completion evidence denoting award of full fee. NNSA review has validated that this is appropriate.

Measure 2.3.2 Risk Mitigation Strategies and Enhancements

Expectation Statement:

Demonstrate effective strategic planning through balancing operational and program risks while sustaining mission critical facilities and waste management capabilities into the future.

Completion Assessment:

LANS has submitted completion evidence denoting award of full fee. NNSA review has validated that this is appropriate.

Measure 2.3.3 Americium Box Processing

Expectation Statement:

Complete the processing of the Americium source and lead bricks that are in the box brought to Los Alamos from LRR1.

Completion Assessment:

LANS has submitted completion evidence denoting award of no fee. NNSA review has validated that this is appropriate.

Measure 2.4 Contractor's Management System/Metrics

Expectation Statement:

The Contractor's organization applies management tools, techniques, and supporting metrics to ensure systematic improvement in programs, operations, and business functions. Leaders, managers, and practitioners manage risk/resources, and demonstrate improvements in performance through effective use of management systems/CAS processes and tools to make decisions, manage risk, and improve performance. Management assures its use of performance-based management is transparent and communicated to NNSA counterparts.

Completion Assessment:

The elements of this PBI will be subjectively evaluated in PBI 14 Excellence in Business and Institutional Management.

PBI No. 3 ENVIRONMENTAL PROGRAMS

PBI 3: Environmental Programs

Maximum Available Fee: **\$4,102,075**
 Fee Earned: **\$3,124,665.00**

PBI 3: Environmental Initiatives		AVAILABLE FEE		AWARDED FEE	
		ESSENTIAL	STRETCH	ESSENTIAL	STRETCH
		\$4,102,075.00		\$3,124,665.00 76%	
3.1.1	Stipulated Penalty Deliverables	\$937,617.00		\$937,617.00	
3.1.2	Other Key Consent Order Deliverables	\$586,011.00		\$586,011.00	
3.2.1	Preparation of Transuranic Waste for Disposition	\$820,415.00		\$703,213.00	
3.2.2E	Expansion of LANL Capabilities for Transuranic Waste Disposition	\$586,011.00		\$175,803.00	
3.2.2S	Deleted				
3.3	Environmental Planning, Preparation and Execution	\$1,172,021.00		\$722,021.00	
3.4	Contractor's Management System/Metrics				
		\$4,102,075	\$0	\$3,124,665	\$0

Completion/Validation Statements:

Measure 3.1 Consent Order Compliance

Measure 3.1.1 Stipulated Penalty Deliverables

Expectation Statement:

Complete agreed-to FY 2011 Consent Order Stipulated Penalty deliverables on schedule.

Completion Assessment:

LANS has submitted completion evidence denoting award of full fee. NNSA review has validated that this is appropriate.

Measure 3.1.2 Other Key Consent Order Deliverables

Expectation Statement:

Complete other major deliverables supporting cleanup under the Consent Order.

Completion Assessment:

LANS has submitted completion evidence denoting award of full fee. NNSA review has validated that this is appropriate.

Measure 3.2 Legacy Transuranic Waste Disposition

Measure 3.2.1 Preparation of Transuranic Waste for Disposition

Expectation Statement:

Prepare legacy transuranic waste for disposition.

Completion Assessment:

LANS has submitted completion evidence denoting award of partial fee. NNSA review has validated that this is appropriate.

Measure 3.2.2 Expansion of LANL Capabilities for Transuranic Waste Disposition

Expectation Statement:

Effectively implement and complete Area G BIO Safety Basis requirements using the EM target time of 90 days. Complete readiness activities for Area G, WCRRF and box line.

Completion Assessment:

LANS has submitted completion evidence denoting award of partial fee, however NNSA review has resulted in a differing position.

Measure 3.3 Environmental Planning, Preparation, and Execution

Expectation Statement:

The NNSA will subjectively evaluate the contractor's performance in the program area of Environmental Programs.

Completion Assessment:

Subjective rating is "satisfactory". Refer to Section V for detailed information.

Measure 3.4 Contractor's Management Systems/Metrics

Expectation Statement:

The Contractor's organization applies management tools, techniques, and supporting metrics to ensure systematic improvement in programs, operations, and business functions. Leaders, managers, and practitioners manage risk/resources, and demonstrate improvements in performance through effective use of management systems/CAS processes and tools to make decisions, manage risk, and improve performance. Management assures its use of performance-based management is transparent and communicated to NNSA counterparts.

Completion Assessment:

The elements of this PBI will be subjectively evaluated in PBI 14 Excellence in Business and Institutional Management.

PBI No. 4 INSTITUTIONAL/WEAPONS QUALITY

PBI 4: Quality Assurance

Maximum Available Fee: **\$1,172,021**
 Fee Earned: **\$1,031,378.00**

PBI 4: Institutional/Weapons Quality		AVAILABLE FEE		AWARDED FEE	
		ESSENTIAL	STRETCH	ESSENTIAL	STRETCH
		\$1,172,021.00		\$1,031,378.00 88%	
4.1	Implementation of LANS Institutional QA Program	\$468,808.00		\$328,165.00	
4.2	Demonstrate Implementation of NQA-1, 2008 Edition within Nuclear Facilities		\$175,803.00		\$175,803.00
4.3E	Demonstrate Effective Product Review Capability	\$410,208.00		\$410,208.00	
4.3S	Demonstrate Effective Product Review Capability		\$117,202.00		\$117,202.00
4.4	Contractor's Management System/Metrics				
		\$879,016.00	\$293,005.00	\$738,373.00	\$293,005.00

Completion/Validation Statements:

Measure 4.1 Implementation of LANS Institutional QA Program

Expectation Statement:

LANS will demonstrate consistent and compliant implementation of LANS contractual Quality Assurance Requirements.

Completion Assessment:

LANS has submitted completion evidence denoting award of partial fee. NNSA review has validated that this is appropriate.

Measure 4.2 Demonstrate Implementation of NQA-1, 2008 Edition within Nuclear Facilities

Expectation Statement:

LANS will demonstrate implementation of NQA-1, 2008 with the 2009 agenda for nuclear facilities and nuclear facility construction to be consistent with the requirements of DOE O 414.1D.

Completion Assessment:

LANS has submitted completion evidence denoting award of full fee. NNSA review has validated that this is appropriate.

Measure 4.3 Demonstrate Effective Product Review Capability (Essential)

Expectation Statement:

LANS will demonstrate implementation of a proficient Product Review Organization for Weapon and weapon related items and materials.

Completion Assessment:

LANS has submitted completion evidence denoting award of full fee. NNSA review has validated that this is appropriate.

Measure 4.3 Demonstrate Effective Product Review Capability (Stretch)

Expectation Statement:

LANS will demonstrate implementation of a proficient Product Review Organization for Weapon and weapon related items and materials.

Completion Assessment:

LANS has submitted completion evidence denoting award of full fee. NNSA review has validated that this is appropriate.

Measure 4.4 Contractor's Management System/Metrics

Expectation Statement:

The Contractor's organization applies management tools, techniques, and supporting metrics to ensure systematic improvement in programs, operations, and business functions. Leaders, managers, and practitioners manage risk/resources, and demonstrate improvements in performance through effective use of management systems/CAS processes and tools to make decisions, manage risk, and improve performance. Management assures its use of performance-based management is transparent and communicated to NNSA counterparts.

Completion Assessment:

The elements of this PBI will be subjectively evaluated in PBI 14 Excellence in Business and Institutional Management.

PBI No. 5 CMRR DELIVERY

PBI 5: CMRR Delivery

Maximum Available Fee: **\$2,578,447**
 Fee Earned: **\$1,443,931.00**

PBI 5: CMRR Delivery		AVAILABLE FEE \$2,578,447.00		AWARDED FEE \$1,443,931.00 56%	
		ESSENTIAL	STRETCH	ESSENTIAL	STRETCH
5.1E	CMRR RLUOB/REI Performance	\$351,606.00		\$175,803.00	
5.1S	CMRR RLUOB/REI Performance		\$351,606.00		\$0.00
5.2E	CMRR NF/SFE Performance	\$468,809.00		\$389,112.00	
5.2S	CMRR NF/SFE Performance		\$234,404.00		\$0.00
5.3	CMRR and UPF Integration		\$1,172,022.00		\$879,016.00
		\$820,415.00	\$1,758,032.00	\$564,915.00	\$879,016.00

Completion/Validation Statements:

Measure 5.1 Essential CMRR RLUOB/REI Performance

Expectation Statement:

RLUOB Equipment Installation (REI) is executed ahead of schedule performance baseline and below cost performance baseline for FY 2011 and performance assures complete early delivery of REI and allows turnover of RLUOB/REI in early FY 2012.

Completion Assessment:

LANS has submitted completion evidence denoting award of full fee, however NNSA review has resulted in a differing position.

Measure 5.1 Stretch CMRR RLUOB/REI Performance

Expectation Statement:

RLUOB Equipment Installation (REI) is executed ahead of schedule performance baseline and below cost performance baseline for FY 2011 and performance assures complete early delivery of REI and allows turnover of RLUOB/REI in early FY 2012.

Completion Assessment:

LANS has submitted completion evidence denoting award of full fee, however NNSA review has resulted in a differing position.

Measure 5.2 Essential CMRR NF/SFE Performance

Expectation Statement:

Laboratory effectively manages CMRR NF/SFE progress in support of NNSA strategic objectives. Project will advance design.

Completion Assessment:

LANS has submitted completion evidence denoting award of full fee, however NNSA review has resulted in a differing position.

Measure 5.2 Stretch CMRR NF/SFE Performance

Expectation Statement:

Laboratory effectively manages CMRR NF/SFE progress in support of NNSA strategic objectives. Project will advance design.

Completion Assessment:

LANS has submitted completion evidence denoting award of full fee, however NNSA review has resulted in a differing position.

Measure 5.3 CMRR and UPF Integration

Expectation Statement:

NNSA YSO and LASO will jointly develop a final rating at year-end based on the visible and demonstrable integration of Corporate Management Processes; efficiencies gained; exchanges of best practices; corporate oversight; and reduced project risk as a result of collaborative efforts between both the LANL and Y-12 M&O contractors. The milestones below will be used to evaluate an overall subjective performance fee payment and will not be evaluated for individual payments.

Completion Assessment:

Subjective rating is "good". Refer to Section V for detailed information.

PBI No. 6 PROJECT MANAGEMENT DELIVERY

PBI 6: Project Management Delivery

Maximum Available Fee: **\$1,406,426**
 Fee Earned: **\$937,617.71**

PBI 6: Project Management Delivery		AVAILABLE FEE \$1,406,426.00		AWARDED FEE \$937,617.71 67%	
		ESSENTIAL	STRETCH	ESSENTIAL	STRETCH
6.1E	Successfully Execute Projects	\$820,415.00		\$703,213.71	
6.1S	Successfully Execute Projects		\$351,607.00		\$0.00
6.2	Pajarito Corridor		\$234,404.00		\$234,404.00
6.3	Contractor's Management System/Metrics				
		\$820,415.00	\$586,011.00	\$703,213.71	\$234,404.00

Completion/Validation Statements:

Measure 6.1 Essential Successfully Execute Projects

Expectation Statement:

LANS will effectively manage the selected projects in support of NNSA/LASO strategic objectives. Projects are managed within established cost and schedule baselines, technical scope baselines are maintained.

Completion Assessment:

LANS has submitted completion evidence denoting award of partial fee. NNSA review has validated that this is appropriate.

Measure 6.1 Stretch Successfully Execute Projects

Expectation Statement:

LANS will effectively manage the selected projects in support of NNSA/LASO strategic objectives. Projects are managed within established cost and schedule baselines, technical scope baselines are maintained.

Completion Assessment:

LANS has submitted completion evidence denoting award of no fee. NNSA review has validated that this is appropriate.

Measure 6.2 Pajarito Corridor

Expectation Statement:

Execute tasks/activities identified in the integrated plan in support of the Parajito corridor construction activities.

Completion Assessment:

LANS has submitted completion evidence denoting award of full fee. NNSA review has validated that this is appropriate.

Measure 6.3 Contractor's Management Systems/Metrics

Expectation Statement:

The Contractor's organization applies management tools, techniques, and supporting metrics to ensure systematic improvement in programs, operations, and business functions. Leaders, managers, and practitioners manage risk/resources, and demonstrate improvements in performance through effective use of management systems/CAS processes and tools to make decisions, manage risk, and improve performance. Management assures its use of performance-based management is transparent and communicated to NNSA counterparts.

Completion Assessment:

The elements of this PBI will be subjectively evaluated in PBI 14 Excellence in Business and Institutional Management.

PBI No. 7 HIGH HAZARD OPERATIONS AND EMERGENCY MANAGEMENT

PBI 7: High Hazard Operations and Emergency Management

Maximum Available Fee: **\$3,633,267**
 Fee Earned: **\$2,913,988.07**

PBI 7: High Hazard Operations & Emergency Management		AVAILABLE FEE \$3,633,267.00		AWARDED FEE \$2,913,988.07 80%	
		ESSENTIAL	STRETCH	ESSENTIAL	STRETCH
7.1	Sustain Implementation of Formality of Operations	\$351,606.00		\$225,028.00	
7.2	Conduct of Operations Maturity	\$351,606.00		\$328,165.60	
7.3	Conduct of Training	\$351,606.00		\$285,152.00	
7.4.1	Formality of Operations Maturity	\$234,405.00		\$234,405.00	
7.4.2	Reduce TA-55 Seismic Nuclear Safety Risks	\$820,415.00		\$820,415.00	
7.4.3	Accelerate Reduction of TA-55 Seismic Nuclear Safety Risks		\$468,809.00		\$250,031
7.5.1	Fire Protection Deficiencies within Legacy Facilities at LANL	\$351,606.00		\$184,779.00	
7.5.2	LANS Continued Training and Establishment of an Enduring Program for the Training of Fire Department Personnel	\$234,405.00		\$234,405.00	
7.6.1	Hazardous Material Inventory Reduction	\$293,005.00		\$175,803.00	
7.6.2	LANS Emergency Notification System		\$175,804.00	\$175,804.00	
7.7	Contractor's Management System/Metrics				
		\$2,988,654.00	\$644,613.00	\$2,663,956.60	\$250,031.47

Completion/Validation Statements:

Measure 7.1 Sustain Implementation of Formality of Operations

Expectation Statement:

Effective Implementation of Nuclear Facility Credited Safety Management Programs (SMPs) that are credited in a nuclear facility Documented Safety Analysis (DSA) should be implemented according to requirements.

Completion Assessment:

LANS has submitted completion evidence denoting award of partial fee, however NNSA review has resulted in a differing position.

Measure 7.2 Conduct of Operations Maturity

Expectation Statement:

Maintain sustainability and continuous improvement of Conduct of Operations for the nuclear and high hazard facilities consisting of TA-55, RLW, CMR, WETF, Area G, RANT, WCRR, NES and LANSCE.

Completion Assessment:

LANS has submitted completion evidence denoting award of partial fee, however NNSA review has resulted in a differing position.

Measure 7.3 Conduct of Training

Expectation Statement:

Complete implementation of CAT 2/3 Nuclear Facility Conduct of Training, all positions identified in nuclear facility Training Implementation Matrices will be staffed with at least the minimum number of qualified workers necessary to sustain normal operations.

Completion Assessment:

LANS has submitted completion evidence denoting award of partial fee, however NNSA review has resulted in a differing position.

Measure 7.4 Nuclear Safety Improvements

Measure 7.4.1 Formality of Operations Maturity

Expectation Statement:

Maintain sustainability and continuous improvement of Formality of Operations for the nuclear and high-hazard facilities. Utilize effective metrics to drive sustainability and continuous improvement.

Completion Assessment:

LANS has submitted completion evidence denoting award of full fee. NNSA review has validated that this is appropriate.

Measure 7.4.2 Reduce TA-55 Seismic Nuclear Safety Rules

Expectation Statement:

Address long-standing issues and demonstrate improvement on the Plutonium Facility seismic nuclear safety.

Completion Assessment:

LANS has submitted completion evidence denoting award of full fee. NNSA review has validated that this is appropriate.

Measure 7.4.3 Accelerate Reduction of TA-55 Seismic Nuclear Safety Risks

Expectation Statement:

Accelerate the FY 2011 schedule for addressing longstanding issues and demonstrate improvement on the Plutonium Facility seismic nuclear safety.

Completion Assessment:

LANS has submitted completion evidence denoting award of partial fee, however NNSA review has resulted in a differing position.

Measure 7.5 Fire Protection

Measure 7.5.1 Fire Protection Deficiencies within Legacy Facilities at LANL

Expectation Statement:

Continuation of the on-going program established in FY 2008 that identifies, prioritizes, coordinates funding, and oversees the successful resolution of long-standing fire protection deficiencies within legacy facilities at LANL. The list of legacy facility deficiencies is maintained up-to-date, reflects accurate information and is reviewed semi-annually.

Completion Assessment:

LANS has submitted completion evidence denoting award of partial fee, however NNSA review has resulted in a differing position.

Measure 7.5.2 LANS Continued Training and Establishment of an Enduring Program for the Training of Fire Department Personnel

Expectation Statement:

In support of the NNSA - Los Alamos County Cooperative Agreement (CA) for fire department emergency services, LANS shall collaboratively establish an enduring training program for the Los Alamos Fire Department related to enhanced fire department services at the Laboratory, in addition to providing for necessary training in FY2011. Reference: LASO Memo #SO: 14BG-011, Los Alamos National Laboratory's Role and Responsibility with Respect to the Los Alamos County Cooperative Agreement Regarding Fire Department Services, dated December 10, 2008.

Completion Assessment:

LANS has submitted completion evidence denoting award of full fee. NNSA review has validated that this is appropriate.

Measure 7.6 Emergency Management

Measure 7.6.1 Hazardous Material Inventory Reduction

Expectation Statement:

LANS shall conduct facility assessments at Emergency Planning Hazards Assessment (hazardous material) facilities in order to identify opportunities for chemical and radiological inventory reduction efforts in order to attempt to significantly reduce emergency planning and response impacts.

Completion Assessment:

LANS has submitted completion evidence denoting award of partial fee, however NNSA review has resulted in a differing position.

Measure 7.6.2 LANS Emergency Notification System

Expectation Statement:

Improve on the timeliness of both employee and public notification during an emergency impacting or potentially impacting Los Alamos National Laboratory.

Completion Assessment:

LANS has submitted completion evidence denoting award of full fee. NNSA review has validated that this is appropriate.

Measure 7.7 Contractor's Management Systems/Metrics

Expectation Statement:

The Contractor's organization applies management tools, techniques, and supporting metrics to ensure systematic improvement in programs, operations, and business functions. Leaders, managers, and practitioners manage risk/resources, and demonstrate improvements in performance through effective use of management systems/CAS processes and tools to make decisions, manage risk, and improve performance. Management assures its use of performance-based management is transparent and communicated to NNSA counterparts.

Completion Assessment:

The elements of this PBI will be subjectively evaluated in PBI 14 Excellence in Business and Institutional Management.

PBI No. 8 SECURITY PROGRAMS

PBI 8: Security Programs

Maximum Available Fee: **\$2,695,649**
 Fee Earned: **\$2,678,069.00**

PBI 8: Security Programs		AVAILABLE FEE		AWARDED FEE	
		ESSENTIAL	STRETCH	ESSENTIAL	STRETCH
		\$2,695,649.00		\$2,678,069.00	99%
8.1.1	FY 2011 FS20 Annual Operating Plan	\$351,606.00		\$351,606.00	
8.1.2	Security & Safeguards Self Assessments	\$234,404.00		\$234,404.00	
8.1.3	Execute an Effective Security Program	\$468,811.00		\$468,811.00	
8.1.4	Protective Force Subcontract Performance	\$234,404.00		\$234,404.00	
8.1.5	Security Systems Lifecycle Maintenance/System Upgrades		\$117,202.00		\$117,202.00
8.1.6	Contractor's Management System/Metrics				
8.1.7	Workplace Violence Readiness		\$117,202.00		\$117,202.00
8.2.1	SSP Recertification	\$351,606.00		\$351,606.00	
8.2.2	Continuous Monitoring	\$117,202.00		\$117,202.00	
8.2.3	Cyber Security AOP Execution	\$351,606.00		\$351,606.00	
8.2.4	Deleted				
8.2.5	Execute an Effective Cyber Security Program	\$351,606.00		\$334,026.00	
8.2.6	Contractor's Management System/Metrics				
		\$2,461,245.00	\$234,404.00	\$2,443,665.00	\$234,404.00

Completion/Validation Statements:

Measure 8.1 Security and Safeguards

Measure 8.1.1 FY 2011 FS20 Annual Operating Plan

Expectation Statement:

Execute the 2011 Security & Safeguards Annual Operating Plan within cost, scope and schedule while ensuring LASO/SS has transparency into ADSS budget processes (planning, programming, budgeting and evaluation).

Completion Assessment:

LANS has submitted completion evidence denoting award of full fee. NNSA review has validated that this is appropriate.

Measure 8.1.2 Security and Safeguards Self-Assessments

Expectation Statement:

Complete comprehensive topical and sub-topical security and safeguards self-assessments and integrate LASO/SS involvement throughout the assessment process. Coordinate periodic meetings with LASO to status and reconcile corrective action plans (CAPs).

Completion Assessment:

LANS has submitted completion evidence denoting award of full fee. NNSA review has validated that this is appropriate.

Measure 8.1.3 Execute and Effective Security Program

Expectation Statement:

Execute an effective security and safeguards program as demonstrated by the achievement of a "satisfactory" rating in the following topical and associated sub topical areas of the Safeguards and Security program:

- Program Management and Support
- Protective Force
- Physical Security
- Information Protection
- Personnel Security
- Nuclear Materials Control and Accountability

Ratings of satisfactory, marginal or unsatisfactory in each topical and sub-topical area will be assigned by LASO as a result of formal surveys, conducted throughout the fiscal year, of LANS effectiveness related to performance and compliance requirements.

Completion Assessment:

LANS has submitted completion evidence denoting award of full fee. NNSA review has validated that this is appropriate.

Measure 8.1.4 Protective Force Subcontract Performance

Expectation Statement:

Effectively complete the transition of the Protective Force contractor by the end of the first quarter, FY 2011 that and ensure effective security services are provided to Los Alamos National Laboratory.

Completion Assessment:

LANS has submitted completion evidence denoting award of full fee. NNSA review has validated that this is appropriate.

Measure 8.1.5 Security Systems Lifecycle Maintenance/System Upgrades

Expectation Statement:

Plan, manage, and execute the multi-year Security Communications Infrastructure Upgrades Project (SCIUP) to meet its schedule and cost commitments.

Completion Assessment:

LANS has submitted completion evidence denoting award of full fee. NNSA review has validated that this is appropriate.

Measure 8.1.6 Contractor's Management Systems/Metrics

Expectation Statement:

The Contractor's organization applies management tools, techniques, and supporting metrics to ensure systematic improvement in programs, operations, and business functions. Leaders, managers, and practitioners manage risk/resources, and demonstrate improvements in performance through effective use of management systems/CAS processes and tools to make decisions, manage risk, and improve performance. Management assures its use of performance-based management is transparent and communicated to NNSA counterparts.

Completion Assessment:

The elements of this PBI will be subjectively evaluated in PBI 14 Excellence in Business and Institutional Management.

Measure 8.1.7 Workplace Violence Readiness

Expectation Statement:

Develop and execute a workplace violence readiness program for Los Alamos National Laboratory that prepares Laboratory managers and employees to meet their leadership and individual responsibilities, respectively, when faced with a workplace violence event (including “active shooter” incidents), provides a response plan that integrates the activities of local/federal law enforcement agencies with Laboratory security and emergency response organizations, and sustains those areas of emphasis through training and awareness campaigns.

Completion Assessment:

LANS has submitted completion evidence denoting award of full fee. NNSA review has validated that this is appropriate.

Measure 8.2 Information Systems and Security

Measure 8.2.1 SSP Recertification

Expectation Statement:

Demonstrate the effectiveness of the cyber security program as represented by the performance of three topical areas including (1) Recertification of all scheduled ISSPs within approved timeframes, (2) Consolidation of selected ISSPs, and (3) Demonstration of continued progress on the multi-year effort to centralize management of IT infrastructure and systems in the unclassified environment for effective and efficient security health and accountability of computer equipment.

Completion Assessment:

LANS has submitted completion evidence denoting award of full fee. NNSA review has validated that this is appropriate.

Measure 8.2.2 Continuous Monitoring

Expectation Statement:

LANS will integrate reporting of existing cyber security monitoring tools, identify gaps in current monitoring, and implement processes to demonstrate a trend of improvement for Windows workstations and servers connected to the Unclassified Core Network.

Completion Assessment:

LANS has submitted completion evidence denoting award of full fee. NNSA review has validated that this is appropriate.

Measure 8.2.3 Cyber Security AOP Execution

Expectation Statement:

Implement a management process and metrics to measure the effectiveness of information security operations.

Completion Assessment:

LANS has submitted completion evidence denoting award of full fee. NNSA review has validated that this is appropriate.

Measure 8.2.4 Deleted per CC-11-029

Measure 8.2.5 Execute an Effective Cyber Security Program

Expectation Statement:

Execute an effective information systems security program as demonstrated by the achievement of a “satisfactory” rating in the following topical and associated sub topical areas of the Safeguards and Security program as identified in DOE Order 470.1-A, change 1:

- Classified Cyber Security
- Telecommunications Security
- Unclassified Cyber Security

Ratings of satisfactory, marginal or unsatisfactory in each topical and sub-topical area will be assigned by LASO as a result of formal surveys, conducted throughout the fiscal year, of LANS effectiveness related to performance and compliance requirements.

Completion Assessment:

LANS has submitted completion evidence denoting award of partial fee. NNSA review has validated that this is appropriate.

Measure 8.2.6 Contractor’s Management Systems/Metrics

Expectation Statement:

The Contractor’s organization applies management tools, techniques, and supporting metrics to ensure systematic improvement in programs, operations, and business functions. Leaders, managers, and practitioners manage risk/resources, and demonstrate improvements in performance through effective use of management systems/CAS processes and tools to make decisions, manage risk, and improve performance. Management assures its use of performance-based management is transparent and communicated to NNSA counterparts.

Completion Assessment:

The elements of this PBI will be subjectively evaluated in PBI 14 Excellence in Business and Institutional Management.

PBI No. 9 FACILITIES, INFRASTRUCTURE, UTILITIES, AND ENERGY

PBI 9: Facilities, Infrastructure, Utilities, and Energy

Maximum Available Fee: **\$3,047,256**
 Fee Earned: **\$2,797,049.00**

PBI 9: Facilities, Infrastructure, Utilities, and Energy		AVAILABLE FEE \$3,047,256.00		AWARDED FEE \$2,797,049.00 92%	
		ESSENTIAL	STRETCH	ESSENTIAL	STRETCH
9.1	MSS Condition Assessment Program	\$175,803.00		\$175,803.00	
9.2	Lease Space Improvement		\$410,208.00		\$410,208.00
9.3	Vital Safety Systems Preventative Maintenance Program	\$293,005.00		\$293,005.00	
9.4E	Infrastructure Investment / Footprint Reduction	\$586,011.00		\$586,011.00	
9.4S	Infrastructure Investment / Footprint Reduction		\$234,404.00		\$0.00
9.5E	Energy Management Execution	\$761,814.00		\$761,814.00	
9.5S	Energy Management Execution		\$351,606.00		\$351,606.00
9.5SE	Energy Management Execution	\$175,803.00		\$160,000.00	
9.6	WECC Self-Certification and Transmission Operator Update	\$58,602.00		\$58,602.00	
9.7	Contractor's Management System/Metrics				
		\$2,051,038.00	\$996,218.00	\$2,035,235.00	\$761,814.00

Completion/Validation Statements:

Measure 9.1 MSS Condition Assessment Program

Expectation Statement:

Complete Condition Assessments equivalent to 2,265,270 square feet in FY 2011. This is an acceleration of one third to enable completion of the five year cycle in 2013 instead of 2014. This is an increase of 577,352 square feet in FY 2011.

Completion Assessment:

LANS has submitted completion evidence denoting award of full fee. NNSA review has validated that this is appropriate.

Measure 9.2 Lease Space Improvement

Expectation Statement:

As part of our integrated Lease Strategy within the Laboratory's Long Range Development Plan, improve utilization within our leased real property portfolio. Specific targets will include improving space density, training, space efficiency, and energy improvement in our lease portfolio. Several of these initiatives will be built based upon the results of several assessments that will have to be completed and integrated to ensure that our improvements produce the best achievable results for the institution.

Completion Assessment:

LANS has submitted completion evidence denoting award of full fee. NNSA review has validated that this is appropriate.

Measure 9.3 Vital Safety Systems Preventative Maintenance Program

Expectation Statement:

Develop and issue quarterly Preventive Maintenance (PM) performance reports for VSS systems as defined as of October 1, 2010. LANS maintain a 98% PM completion rate for credited Vital Safety Systems (VSS).

Completion Assessment:

LANS has submitted completion evidence denoting award of full fee. NNSA review has validated that this is appropriate.

Measure 9.4 Infrastructure Investment/Footprint Reduction (Essential)

Expectation Statement:

In FY 2010 the Laboratory Director initiated an institutional program to reinvest in the Lab's aging infrastructure. A multi-year plan will be developed to prioritize investments by year amongst the following categories;

- 1) New construction,
- 2) Life extension,
- 3) Footprint reduction,
- 4) D&D, and
- 5) Utility investments.

The Director will determine the FY 2011 infrastructure reinvestment amount, and the FY 2011 milestones will be developed and executed. The Multi-year plan will be used by Senior management and our customers to assist with funding prioritization decisions. Through this measure the plan will be finalized and FY 2011 infrastructure and footprint reduction investments will be selected and executed.

Completion Assessment:

LANS has submitted completion evidence denoting award of full fee. NNSA review has validated that this is appropriate.

Measure 9.4 Infrastructure Investment/Footprint Reduction (Stretch)

Expectation Statement:

In FY 2010 the Laboratory Director initiated an institutional program to reinvest in the Lab's aging infrastructure. A multi-year plan will be developed to prioritize investments by year amongst the following categories:

- 1) New construction,
- 2) Life extension,
- 3) Footprint reduction,
- 4) D&D, and
- 5) Utility investments.

The Director will determine the FY 2011 infrastructure reinvestment amount, and the FY 2011 milestones will be developed and executed. The Multi-year plan will be used by Senior management and our customers to assist with funding prioritization decisions. Through this measure the plan will be finalized and FY 2011 infrastructure and footprint reduction investments will be selected and executed.

Completion Assessment:

LANS has submitted completion evidence denoting award of no fee. NNSA review has validated that this is appropriate.

Measure 9.5 Energy Management Execution (Essential)

Expectation Statement:

LANL will work to institute wholesale cultural change to factor sustainability and Green House Gas emissions reductions into all corporate management decisions; planning, executing, evaluating and continually improving operations to maximize sustainable use of energy and natural resources by implementation of the LANL Energy Management program through the Site Sustainability Plan (former the Executable Energy Management Plan). LANL will revise the sustainability plan for FY 2011 and beyond to ensure continued progress toward meeting the DOE 0 430.2B goals. LANL will strive to execute all elements defined in the plan in addition to those specifically identified as completion targets.

Completion Assessment:

LANS has submitted completion evidence denoting award of full fee. NNSA review has validated that this is appropriate.

Measure 9.5 Energy Management Execution (Stretch)

Expectation Statement:

LANL will work to institute wholesale cultural change to factor sustainability and Green House Gas emissions reductions into all corporate management decisions; planning, executing, evaluating and continually improving operations to maximize sustainable use of energy and natural resources by implementation of the LANL Energy Management program through the Site Sustainability Plan (former the Executable Energy Management Plan). LANL will revise the sustainability plan for FY 2011 and beyond to ensure continued progress toward meeting the DOE 0 430.2B goals. LANL will strive to execute all elements defined in the plan in addition to those specifically identified as completion targets.

Completion Assessment:

LANS has submitted completion evidence denoting award of full fee. NNSA review has validated that this is appropriate.

Measure 9.5 Energy Management Execution (Subjective/Essential)

Expectation Statement:

LANL will work to institute wholesale cultural change to factor sustainability and Green House Gas emissions reductions into all corporate management decisions; planning, executing, evaluating and continually improving operations to maximize sustainable use of energy and natural resources by implementation of the LANL Energy Management program through the Site Sustainability Plan (former the Executable Energy Management Plan). LANL will revise the sustainability plan for FY 2011 and beyond to ensure continued progress toward meeting the DOE 0 430.2B goals. LANL will strive to execute all elements defined in the plan in addition to those specifically identified as completion targets.

Completion Assessment:

Subjective rating is "outstanding". Refer to Section V for detailed information.

Measure 9.6 WECC Self-Certification and Transmission Operator Update

Expectation Statement:

Operate and maintain the LANL transmission, distribution, and generation assets in accordance with the applicable Western Electric Coordinating Council (WECC)/North American Reliability Corporation (NERC) requirements per the Energy Act of 2005. Due to changes in management of the utility program and within the PBI structure, a quarterly management review of the status of WECC compliance will be conducted to ensure that expectations are understood and issues resolved in a timely manner. Periodically perform evaluation of registrations and where appropriate, update.

Completion Assessment:

LANS has submitted completion evidence denoting award of full fee. NNSA review has validated that this is appropriate.

Measure 9.7 Contractor's Management Systems/Metrics

Expectation Statement:

The Contractor's organization applies management tools, techniques, and supporting metrics to ensure systematic improvement in mission, operations, and business functions. Leaders, managers, and practitioners manage risk/resources, and demonstrate improvements in performance through effective use of management systems/CAS processes and tools to make decisions, manage risk, and improve performance. Management assures its use of performance-based management is transparent and communicated to NNSA counterparts.

Completion Assessment:

The elements of this PBI will be subjectively evaluated in PBI 14 Excellence in Business and Institutional Management.

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PBI No. 10 DEMONSTRATE INSTITUTIONAL IMPROVEMENT

PBI 10: Set A Demonstrate Institutional Improvement

Maximum Available Fee: \$1,172,202
 Fee Earned: \$937,617.60

**PBI 10 Demonstrate Institutional Improvement
 Goals 10.1,10.2,10.4,10.7,10.9**

Adjectival Rating for Subjective Evaluation	Adjectivally Rated At-Risk Award Fee Pool Available Range to be Earned	Adjectival Rating Common Definition
Outstanding	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 as defined and measured against the criteria in the award-fee plan for the award fee evaluation period.
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 as defined and measured against the criteria in the award-fee plan for the award-fee evaluation period.
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 as defined and measured against the criteria in the award-fee plan for the award-fee evaluation period.
Satisfactory	No Greater than 50%	Contractor has met overall cost, schedule and Technical performance requirements of the contract as defined and measured against the criteria in the award-fee plan for the award-fee evaluation period.
Unsatisfactory	0%	Contractor has failed to meet overall cost, schedule, and technical performance requirements of the contract as defined and measured against the criteria in the award-fee plan for the award-fee evaluation period.

PBI 10 Evaluation Criteria

Total Available Fee: \$1,172,022

		Weighting	Fee Earned	
Very Good	Performance Evaluation Plan Measure 10.1,10.2,10.4,10.7,10.9	100%	\$937,617.60	Goal 10.1 Facilitation of Experimental Science, Technology and Engineering Goal 10.2 Acquisition Improvement Across the Institution Goal 10.4 IT System Standardization Goal 10.7 NQA-1 Implementation Goal 10.9 Institutional Legal Management Improvements
	COR Analysis			LANS's concerted efforts to improve work control for moderate hazard scientific activities resulted in documented improvements to safety performance. Efforts to improve advanced acquisition planning are noted, however did not fully meet LASO expectations. Acquisition planning and visibility of priority procurements at the ASM level has improved, however PAD/AD procurement Liaisons intended to bridge the acquisition gaps between organizational requirements, Director's objectives, LANL mission priorities, the NNSA 5-year plan, and ASM workforce procurement capability and unforeseen resource constraints are considered a work in progress. LANS identified 11 IT projects for completion in FY11 and while progress was made on all projects, managing project risk and completing the originally envisioned scope was a challenge. LANS submitted for LASO approval a revised Quality Assurance Program and Implementation documents that incorporate the requirements of 414.1D and NQA-1, 2008, 1a-2009.
		Total Fee:	\$937,617.60	

Overall Rating of PBI 10 Set A: VERY GOOD

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PBI 10: Set B Demonstrate Institutional Improvement

Maximum Available Fee: **\$1,758,032**
 Fee Earned: **\$896,596.00**

**PBI 10 Demonstrate Institutional Improvement
 Goals 10.3,10.5,10.6,10.8**

Adjectival Rating for Subjective Evaluation	Adjectivally Rated At-Risk Award Fee Pool Available Range to be Earned	Adjectival Rating Common Definition
Outstanding	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 as defined and measured against the criteria in the award-fee plan for the award fee evaluation period.
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 as defined and measured against the criteria in the award-fee plan for the award-fee evaluation period.
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 as defined and measured against the criteria in the award-fee plan for the award-fee evaluation period.
Satisfactory	No Greater than 50%	Contractor has met overall cost, schedule and Technical performance requirements of the contract as defined and measured against the criteria in the award-fee plan for the award-fee evaluation period.
Unsatisfactory	0%	Contractor has failed to meet overall cost, schedule, and technical performance requirements of the contract as defined and measured against the criteria in the award-fee plan for the award-fee evaluation period.

PBI 10 Evaluation Criteria

Total Available Fee: \$1,758,032

		Weighting	Fee Earned	
Good	Performance Evaluation Plan Measure 10.3,10.5,10.6,10.8	100%	\$896,596	Goal 10.3 Project Delivery Improvement Across the Institution Goal 10.5 Readiness Process ImprovementGoal Goal 10.6 Innovation in Support of CMRR-NF Goal 10.8 Long Term Environmental Stewardship Plan
	COR Analysis			Some progress is being made to improve project delivery across LANL with engagement by corporate elements late in the FY. Transparency in monthly reporting and CAS metrics has improved in FY11 and some success is noted in cost savings initiatives for CMRR and progress in TRU Waste Replacement. Significant challenges remain in consistently demonstrating timely, successful, cost effective project delivery. Progress in development and implementation of the Long Range Environmental Stewardship Plan (ESP) did not meet full expectations. While a 50 Year ESP was drafted in FY11, it does not lay out a time phased vision, does not present a holistic view of LANL, and LANS was ineffective in demonstrating use of the ESP in risk based, informed decision making. Readiness was rated as a major concern throughout most of the rating period, however, LANS was able to effectively improve program ownership and engagement in readiness processes resulting in NNSA HQ relieving the site of readiness review restrictions.
		Total Fee:	\$896,596.00	

Overall Rating of PBI 10 Set B: GOOD

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PBI No. 11 EXCELLENCE IN NATIONAL SECURITY OBJECTIVES

PBI 11: Excellence in National Security Objectives

PBI 11 Set A

Maximum Available Fee: **\$5,274,097**
Fee Earned: **\$4,812,114.33**

PBI 11: Maximum Potential Program Subjective Essential Fee	\$ 5,274,097							
Program Subjective Essential Fee Assessment <u>Specific Subjective Fee Adjustments</u>								
Items of Significant Note								
Positive	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="padding: 2px;">Delivery on NA-10 GTJD commitments (94% completion rate for MRT level 1 and 2 milestones)</td></tr> <tr><td style="padding: 2px;">Completion of the Type 125 Pit Production Program of Record</td></tr> <tr><td style="padding: 2px;">On time delivery and completion of the first UK material loan return</td></tr> </table>	Delivery on NA-10 GTJD commitments (94% completion rate for MRT level 1 and 2 milestones)	Completion of the Type 125 Pit Production Program of Record	On time delivery and completion of the first UK material loan return				
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Negative	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="padding: 2px;">Trinity System budget increases and schedule delays</td></tr> <tr><td style="padding: 2px;">WETF operational and configuration management impacts to programs</td></tr> </table>	Trinity System budget increases and schedule delays	WETF operational and configuration management impacts to programs					
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Items of Moderate Note								
Positive	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="padding: 2px;">Progress on obtaining experimental data to support Advanced Certification and the National Boost Initiative (Baccus/Barolo experiments – DARHT Hydro shots)</td></tr> <tr><td style="padding: 2px;">Weapons response performance improvement</td></tr> <tr><td style="padding: 2px;">OSRP source recovery performance (> 2,000 sources recovered)</td></tr> <tr><td style="padding: 2px;">Planning and implementation to support Gemini Scaled Experimental Series</td></tr> <tr><td style="padding: 2px;">Support and input for the NA-20 PDC Alternatives Study</td></tr> <tr><td style="padding: 2px;">Selection as a NA-45 Pre-detonation Nuclear Forensics Program Hub Laboratory</td></tr> </table>	Progress on obtaining experimental data to support Advanced Certification and the National Boost Initiative (Baccus/Barolo experiments – DARHT Hydro shots)	Weapons response performance improvement	OSRP source recovery performance (> 2,000 sources recovered)	Planning and implementation to support Gemini Scaled Experimental Series	Support and input for the NA-20 PDC Alternatives Study	Selection as a NA-45 Pre-detonation Nuclear Forensics Program Hub Laboratory	
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Global Security test object fabrication failure								
Improperly coordinated transfer of Weapons Trainers to DoD								
Final Program Subjective Essential Fee Award & Adjectival Rating: OUTSTANDING	\$4,812,114.33 91.2%							

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PBI 11: Excellence in National Security Objectives

PBI 11 Set B

Maximum Available Fee: \$2,344,043
Fee Earned: \$2,172,648.99

PBI 11: Maximum Potential Program Subjective Fee	\$ 2,344,043																				
<p>Program Subjective Fee Assessment</p> <p><u>Specific Subjective Fee Adjustments</u></p> <p>Items of Significant Note</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 10%; text-align: center;">Positive</td> <td>Exceeded required production quantities of certified Pu Oxide for MOX Fuel</td> </tr> <tr> <td style="text-align: center;">Negative</td> <td>LANS production delays resulted in heroics on LASO QA support to meet FY11 program deliverables</td> </tr> </table> <p>Items of Moderate Note</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 10%; text-align: center;">Positive</td> <td>US-Russian Laboratory Directors Visit support</td> </tr> <tr> <td></td> <td>China Nuclear Security Center of Excellence support</td> </tr> <tr> <td></td> <td>IAEA NDA Inspector Training</td> </tr> <tr> <td style="text-align: center;">Negative</td> <td>Reduced time available for QA review/product acceptance resulted in increased incidental defects and defective materials</td> </tr> <tr> <td></td> <td>Inadequate planning of DMO 3 equipment installations resulting in significant cost growth</td> </tr> </table> <p>Items of Note</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 10%; text-align: center;">Positive</td> <td>Technical support for Fukushima disaster response</td> </tr> <tr> <td style="text-align: center;">Negative</td> <td>Pu Production phasing of deliverables</td> </tr> <tr> <td></td> <td>Delays in completing corrective actions associated with MOXARIES production</td> </tr> </table>		Positive	Exceeded required production quantities of certified Pu Oxide for MOX Fuel	Negative	LANS production delays resulted in heroics on LASO QA support to meet FY11 program deliverables	Positive	US-Russian Laboratory Directors Visit support		China Nuclear Security Center of Excellence support		IAEA NDA Inspector Training	Negative	Reduced time available for QA review/product acceptance resulted in increased incidental defects and defective materials		Inadequate planning of DMO 3 equipment installations resulting in significant cost growth	Positive	Technical support for Fukushima disaster response	Negative	Pu Production phasing of deliverables		Delays in completing corrective actions associated with MOXARIES production
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Negative	Pu Production phasing of deliverables																				
	Delays in completing corrective actions associated with MOXARIES production																				
Final Program Subjective Stretch Fee Award & Adjectival Rating: OUTSTANDING	\$2,172,648.99 92.7%																				

PBI No. 12 EXCELLENCE IN SCIENCE, TECHNOLOGY, AND ENGINEERING

PBI 12: Excellence in Science, Technology, and Engineering

Maximum Available Fee: **\$3,516,064**
 Fee Earned: **\$3,413,365.80**

PBI 12: Maximum Potential Science Subjective Fee		\$ 3,516,064
<u>Science Subjective Fee Assessment</u>		
<u>Specific Subjective Fee Adjustments</u>		
Items of Significant Note		
Positive	LANS awarded 56 external awards including 3 Federal Laboratory Consortium Awards, Presidential Early Career Award, and 3 R&D 100 Awards – 13 LANS Scientists selected as fellows and Led the DOE enterprise in peer-reviewed publications (FY11 - 2,079, previous max 1,800 in FY08)	
	Established world record for strongest magnetic field (97.4 tesla)	
Items of Moderate Note		
Positive	WFO process improvements (WFO policy development, eWFO maturation, integration between STE and GS elements, increased partnering and communication with LASO, CODES)	
Negative	Staffing prioritization (science) impacts on other critical institutional needs and ability to deliver products and mission deliverables in a timely manner	
	Relative immaturity of long-term facility and infrastructure planning and resourcing investments balanced with staffing and HR/recruiting plans	
	Sub-optimal engagement with LASO on on ST&E institutional issues and DOE/NNSA-HQ Communications	
	Need for increased integration with long range development plan regarding ST&E infrastructure requirements	
Items of Note		
Positive	Technical support for NAS review of Quality of Science	
	LANS STE technical support for on-going operational priority activities (CMRR/SAFER)	
	LANS Technical response and support to Medical Isotope Program (Sr-93 marker issues)	
	Contributions to Exascale technical roadmap and program budget/structure	
Negative	Attracted an "all-time" high number of post-doctoral candidates providing a large pool for early career hires	
	Balance of LDRD portfolio – sustainment of core NNSA mission capabilities	
	Investments in LANL science infrastructure initiated, however not significant for measurable impacts in capabilities	
Final Science Subjective Fee Award & Adjectival Rating: OUTSTANDING		\$3,413,365.80 97.1%

PBI No. 13 EXCELLENCE IN OPERATIONS & FACILITIES

PBI 13: Excellence in Operations & Facilities

PBI 13 Set A

Maximum Available Fee: \$5,274,097
 Fee Earned: \$3,760,216.05

PBI 13: Maximum Potential Operations Subjective Essential Fee \$4,688,086.00

Operations Subjective Fee Assessment

Specific Subjective Fee Adjustments

Items of Significant Note

Positive	PF-4 seismic safety improvements
	Las Conchas Fire response and recovery actions
	Natural gas shortage event response
	Achieved RLUOB conditional beneficial occupancy Sept 30,2011
	Record shipments of TRU waste to WIPP (171)
	VPP implementation
	R&D ISM self-assessments and IWM program plan implementation
Negative	PF-4 criticality safety and conduct of operations
	WDP criticality safety, VSS operability, and configuration management
	Safety Basis including Drum Venting continues to experience delays in Area G for TRU waste
	MDA-B startup, MAR management, and operational issues under the 10 CFR 830 exemption
	Continued PM execution challenges (NMSSUP-II/TTF/TRP II/MDA-B, etc)

Items of Moderate Note

Positive	Readiness review order (O425.1D) implementation
	PF-4 safety basis upgrades
	Response and corrective measures to extreme cold-weather events
	RLWTF LLW tank space management
	Administrative, technical, and programmatic Support for CMRR SEIS
	Area G Box Remediation line commissioning
	TRU de-inventory plan development
	CMRR REI project trends (cost/schedule)
	Emergency Management Performance (lessons learned/EPHA)
	Security Program Performance (closure of 174 CAs)
	Worker Industrial Safety continuous improvements (HPI/RP/IH)
	Maintenance Program Improvements (expedited maintenance processes ~\$3.5M in cost avoidance, 33% increase in craft/supervisor ratio, Improved Annual Maintenance Plan, Tri-lab Summit leadership)
	Progress in achieving site sustainability goals (SSP development and milestone completion metering, night setback implementation)
	RCRA self-assessment inspection program (positive impacts to NMED inspections)
Negative	Formality of Operations sustainment and continuous improvement
	Initial unpreparedness for cold weather events
	Inconsistent/inappropriate use of the abnormal event investigation process
	Reactionary and inconsistent management/follow-up on day-to-day operational issues
	CMRR GB acquisition, design, fabrication, inspection, and acceptance
	Management of fire protection equivalencies and exemptions
	Certification of fissile materials handlers
	Hazardous materials inventory (Chemical) discrepancies
	Slow response to IWM and disciplined operations issues
	CMRR RLUOB roof replacement and warranty issues
TEMPEST issue reporting and follow-up	

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Items of Note	
Positive	Progress in ITIL Framework Implementation
	ISSP implementation
	NFPA 70E-2009 implementation
	FP program, response to triennial assessment
	Establishment of PADCAP - late, but increasing engagement by Corporate Partners in PM challenges
	LRDP transition under new LANS Director and continued implementation
	Management of UC pension impacts
	Utilities and infrastructure re-investment progress
Negative	Safety Basis – document quality issues, slow response to new information process
	LANS IT PM process improvements
	Slow progress to address pressure safety issues, explosive safety, and triennial VSS assessments
	Rework required to FHAs (PF-4, CMR)
	WETF - continued operational and configuration management issues
	Program engagement in readiness activities
	RLUOB lessons learned, including electrical safety incidents
	HE-RTR challenges – coordination with CCP
Support for ESPC implementation at LANL	
Final Operations Subjective Essential Fee Award & Adjectival Rating: VERY GOOD	
\$3,760,216.05	
80.2%	

PBI 13: Excellence in National Security Objectives

PBI 13 Set B

Maximum Available Fee: **\$586,011**
 Fee Earned: **\$524,549.30**

PBI 13: Maximum Potential Operations Subjective Stretch Fee		\$ 586,011
<u>Operations Subjective Stretch Fee Assessment</u>		
<u>Specific Subjective Stretch Fee Adjustments</u>		
Items of Significant Note		
Positive	Site Sustainability Plan: submitted on time, deemed to be of excellent quality by NNSA	
	LANS Director approved \$31M for infrastructure investment efforts	
	Exceeded the FY11 goals for footprint reduction and Condition Assessment Surveys	
Negative	Lack of progress in multi-year metering plan – FY11 cancellation impacts to improving behavior, OIG interest	
Items of Moderate Note		
Positive	Support to the Los Alamos County Power Pool: completion of future transmission capacity study with LAC and PNM; collaboration with LA County on brownfield solar PV farm; commissioning new LA County 3 MW hydroelectric facility	
	HPSB initiatives – Team formation with dedicated expert for retro-commissioning efforts in buildings, HVAC and DOE Sustainability programs	
	Developed multiyear utility reinvestment plan, including long-range power forecasts	
	Maintenance Program execution exceeded the planned FY-11 budget	
Negative	LANL water consumption reduction objectives/targets at risk even with completion of SERF	
	Institutional integration of utilities reinvestment plans and electrical demand studies less than optimal	
Items of Note		
Positive	Electric meter data is being used to develop a quarterly mock utility bill to drive behaviors	
	Improved fidelity of facilities data in FIMS	
	Resumed operation of SERF facility, reclaimed in excess of 250k gallons of water, and commenced project to expand SERF facility for water reclamation	
	WECC self-certification in early 2011; successful in-depth onsite audit with no findings	
Negative	Lack of incentives or penalties for mock utilities billings process is expected to produce relatively insignificant improvements in energy usage trends/consumption rates	
	LANS assessment of Integrated Permits Requirements Identification process did not meet CAS expectations	
Final Operations Subjective Stretch Fee Award & Adjectival Rating: Very Good		\$ 524,549.30 89.5%

PBI No. 14 EXCELLENCE IN BUSINESS AND INSTITUTIONAL MANAGEMENT

PBI 14: Excellence in Business and Institutional Management

Maximum Available Fee: \$7,776,479
 Fee Earned: \$4,588,501.52

PBI 14: Maximum Potential Business Subjective Fee \$ 7,060,258

Business and Supporting Areas Subjective Fee Assessment

Specific Business Specific Subjective Fee Adjustments (25% weighted)

Items of Significant Note

Positive	Supply Chain Management Center (SCMC) utilization exceeded all performance goals
	Earned favorable results (significant improvement from 2007) from the Procurement Evaluation & Reengineering Team (PERT), JAN 2011
	LANL Budget forecasting and sensitivity analysis provided a valuable tool to LANL/LASO in volatile budget year
	Significant change in CAS management to focus on rigorous critical self-assessment and development of tactical plan for progress was great (if late in year) and is key to high priority CAS maturation.
	LANL external affairs does a great job with tours and community interactions, which typically leave target attendees with extremely favorable views toward the lab. (LANS is so good at this, it gets taken for granted.)
Negative	Subcontract invoice verification shortfalls (EA-DO Audit, OIG findings, LANL SCIC audit)
	CAS processes continue to reflect significant immaturity. Recently identified more than 100 items that were categorized incorrectly; entries are frequently delayed by months which results in effective metrics and trending.
	Workforce structure planning, development, retention, and efficient and effective use of human capital

Items of Moderate Note

Positive	Institutional QA improvements (QA Council, vendor supplier evaluation backlog, and SME expertise)
	Improved pre-award cost analyses (estimated \$31M in cost avoidance)
	Maturation of Process Improvement Project (PIP)
	Director focus on Government Reform
	Small Business goals exceeded (51.9% vs 46% planned)
	LANS budget forecasting and sensitivity analysis support to NNSA PPBES and Congressional inquiries
	UC SCIC closeout (through FY2006)
	LANS CFO resolution of financial issues and cooperative relationship with FFMD
Negative	Sustained property and warehouse management
	Inconsistent and often ineffective integration across LANL functional elements (i.e. 414.1D)
	Subcontract award and administration for the Tactical Training Facility
	Ineffective institutional coordination and implementation of packaging and transportation activities
	Staffing limitations for QA program implementation
Continued reliance upon single point failure mode equipment for core DP production activities	

Items of Note

Positive	WCATS software quality computer program implementation
	Institutional new manager On-Ramp program
Negative	Continued significant federal engagement on procurement consent packages
	Inconsistent implementation of LANS Nonconformance Reporting System results in an ineffective understanding of root causes of deficiencies.
	Lack of an ASM employee acquisition career management training and certification program
	Formality and consistency of LANS external affairs processes
Inability to meet FFMD Core Financial Measure six during first quarter	

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<u>Specific Crosscutting Institutional Management Subjective Fee Adjustments (75% weighted)</u>					
Items of Significant Note					
Positive	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="padding: 2px;">Selection of new LANS Director and PADOPs</td></tr> <tr><td style="padding: 2px;">Key/ Emergency Management personnel execution of emergency management operations in support of the Los Conchas Fire</td></tr> <tr><td style="padding: 2px;">Proactive management of PF4 seismic safety improvements</td></tr> <tr><td style="padding: 2px;">LANS management, facility managers, and trades workers response during the February cold weather/natural gas shut down</td></tr> </table>	Selection of new LANS Director and PADOPs	Key/ Emergency Management personnel execution of emergency management operations in support of the Los Conchas Fire	Proactive management of PF4 seismic safety improvements	LANS management, facility managers, and trades workers response during the February cold weather/natural gas shut down
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Proactive management of PF4 seismic safety improvements					
LANS management, facility managers, and trades workers response during the February cold weather/natural gas shut down					
Negative	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="padding: 2px;">High turnover rate for key personnel - succession plans not evident</td></tr> <tr><td style="padding: 2px;">Progress in addressing PM performance challenges</td></tr> </table>	High turnover rate for key personnel - succession plans not evident	Progress in addressing PM performance challenges		
High turnover rate for key personnel - succession plans not evident					
Progress in addressing PM performance challenges					
Items of Moderate Note					
Positive	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="padding: 2px;">Teaming approach by new LANS Director and Senior Management Team towards LASO</td></tr> <tr><td style="padding: 2px;">Parent Organization Oversight functional management reviews and capability reviews</td></tr> <tr><td style="padding: 2px;">Due diligence in key personnel recruitment actions</td></tr> <tr><td style="padding: 2px;">LANS leadership in intellectual property, support of other government agencies, and fulfillment of Stockpile Stewardship responsibilities</td></tr> </table>	Teaming approach by new LANS Director and Senior Management Team towards LASO	Parent Organization Oversight functional management reviews and capability reviews	Due diligence in key personnel recruitment actions	LANS leadership in intellectual property, support of other government agencies, and fulfillment of Stockpile Stewardship responsibilities
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Progress in closure of safety/formality of operations issues					
Items of Note					
Positive	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="padding: 2px;">Advance acquisition forecasting and planning initiatives</td></tr> </table>	Advance acquisition forecasting and planning initiatives			
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Negative	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="padding: 2px;">Unfunded labor force (displaced and transitional labor)</td></tr> <tr><td style="padding: 2px;">Incomplete staff work (RFI assessments, Requests of CO exceptions to policy)</td></tr> </table>	Unfunded labor force (displaced and transitional labor)	Incomplete staff work (RFI assessments, Requests of CO exceptions to policy)		
Unfunded labor force (displaced and transitional labor)					
Incomplete staff work (RFI assessments, Requests of CO exceptions to policy)					
Final Business & Mgmt Subjective Fee Award & Adjectival Rating: Good					
\$4,588,501.52					
65.0%					

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PBI 14: Excellence in Business and Institutional Management

PBI 14 Set C

Maximum Available Fee: \$716,221
Fee Earned: \$465,543.65

**PBI 14 Business and Institutional Management
Set C**

Adjectival Rating for Subjective Evaluation	Adjectivally Rated At-Risk Award Fee Pool Available Range to be Earned	Adjectival Rating Common Definition
Outstanding	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 as defined and measured against the criteria in the award-fee plan for the award fee evaluation period.
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 as defined and measured against the criteria in the award-fee plan for the award-fee evaluation period.
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 as defined and measured against the criteria in the award-fee plan for the award-fee evaluation period.
Satisfactory	No Greater than 50%	Contractor has met overall cost, schedule and Technical performance requirements of the contract as defined and measured against the criteria in the award-fee plan for the award-fee evaluation period.
Unsatisfactory	0%	Contractor has failed to meet overall cost, schedule, and technical performance requirements of the contract as defined and measured against the criteria in the award-fee plan for the award-fee evaluation period.

PBI 14 Set C Evaluation Criteria

Total Available Fee: \$716,221

		Weighting	Fee Earned	
Good	Performance Evaluation Plan Measure 14 Set C	100%	\$465,543.65	14.18 Closeout of Subcontract Files 14.19 FOIA Process Improvement 14.20 Improve Integration of Site Stewardship Planning 14.21 Improvement in Design & Design Review 14.22 Critical Evaluation of the Construction Context
	65% COR Analysis	LANS developed a Subcontract Closeout Plan and is in the process of implementation, with quarterly reports to LASO. Acquisition guides have also been developed for use internally within ASM and significant progress in closing legacy subcontracts is anticipated in 1st quarter FY12. LANS analyzed the M&O contract terms and conditions to evaluate strengthening accountability in construction subcontracting. Results confirmed vulnerability of an M&O contract structure in terms of managing major construction project and NNSA is continuing to evaluate options for enhancing M&O accountability for construction subcontract performance or alternate acquisition approaches. LANS has engaged senior Corporate Project Management expertise to evaluate improving project management performance, however, this engagement has come relatively late in the year. Process improvements were initiated by LANS to improve FOIA processing times, however performance in timely responses continue to not meet standards or expectations. It is anticipated that FOIA enhancements implemented in late FY11 will result in marked improvement in processing times in FY12 and future years. LANS has implemented improvements in standardizing independent design reviews and is having some success as demonstrated by the IPR results for the TRU Waste Project. An Engineering Improvement Plan was developed by LANS but the effectiveness in addressing historical design and engineering deficiencies remains to be demonstrated in future design reviews. Consistency in application of design standards and holding design subcontractors accountable remain a significant challenge at LANL. LANS has continued to mature internal site infrastructure planning and integration activities and has improved engagement with the Site Office to increase transparency. Additional work is required to mature long term stewardship planning efforts to expand the planning horizon beyond a typical 10-year look ahead.		
		Total Fee:	\$465,543.65	

Overall Rating of PBI 14 Set C: GOOD

PBI No. 15 SECURITY TRAINING CAPABILITIES

PBI 15: Security Training Capabilities

Maximum Available Fee: **\$527,410**
 Fee Earned: **\$175,804.00**

PBI 15: Security Training Capabilities		AVAILABLE FEE		AWARDED FEE	
		ESSENTIAL	STRETCH	ESSENTIAL	STRETCH
		\$527,410.00		\$175,804.00	33%
15.3	Achieve Beneficial Occupancy of TTF & Issue Report	\$234,404.00		\$0.00	
15.4	Conduct First Tactical Exercise in TTF		\$117,202.00		\$0.00
15.5	Construction of Indoor Firing Range		\$175,804.00		\$175,804.00
		\$234,404.00	\$293,006.00	\$0.00	\$175,804.00

Completion/Validation Statements:

Measure 15.3 Achieve Beneficial Occupancy of TTF and Issue Report

Expectation Statement:

Achieve Beneficial Occupancy of TTF. Closeout the Demonstration Pilot and issue the Demonstration Report.

Completion Assessment:

LANS has submitted completion evidence denoting award of no fee. NNSA review has validated that this is appropriate.

Measure 15.4 Conduct First Tactical Exercise in TTF

Expectation Statement:

Occupy the facility and conduct the first Tactical Exercise in the TTF by September 30, 2011.

Completion Assessment:

LANS has submitted completion evidence denoting award of no fee. NNSA review has validated that this is appropriate.

Measure 15.5 Construction of Indoor Firing Range

Expectation Statement:

Substantial construction completion of the Indoor Firing Range by September 30, 2011.

Completion Assessment:

LANS has submitted completion evidence denoting award of full fee. NNSA review has validated that this is appropriate.

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PBI No. 16 INSTITUTIONAL LAS CONCHAS FIRE RESPONSE

PBI 16: Institutional Las Conchas Fire Response

Maximum Available Fee: **\$1,000,000**
 Fee Earned: **\$950,000**

PBI 16 Institutional Las Conchas Fire Response

Adjectival Rating for Subjective Evaluation	Adjectivally Rated At-Risk Award Fee Pool Available Range to be Earned	Adjectival Rating Common Definition
Outstanding	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 as defined and measured against the criteria in the award-fee plan for the award fee evaluation period.
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 as defined and measured against the criteria in the award-fee plan for the award-fee evaluation period.
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 as defined and measured against the criteria in the award-fee plan for the award-fee evaluation period.
Satisfactory	No Greater than 50%	Contractor has met overall cost, schedule and Technical performance requirements of the contract as defined and measured against the criteria in the award-fee plan for the award-fee evaluation period.
Unsatisfactory	0%	Contractor has failed to meet overall cost, schedule, and technical performance requirements of the contract as defined and measured against the criteria in the award-fee plan for the award-fee evaluation period.

Measure 16 Evaluation Criteria

Total Available Fee: \$1,000,000

		Weighting	Fee Earned	
Outstanding	Performance Evaluation Plan Measure 16	100%	\$950,000	<ul style="list-style-type: none"> • Integrated and partnered participation with BAER Team and Forest Service • Management of LANL watersheds with an emphasis in protection, monitoring and expedient sample analysis • Innovative technologies as related to timely sampling and data analysis • Contract management and administration to avoid and minimize inappropriate claims, and effective processing and disposition of valid claims • Corporate reach back to avoid resource issues and obtain technical expertise requirements • Financial management of Las Conchas fire response and recovery costs • Strategic and visionary planning to improve the health of LANL facilities and environmental envelope in light of the fire • Communication and coordination with Congressional delegation, State and Federal authorities (including regulators), County, and neighboring Pueblo government officials, and the media. • LANS preparedness activities associated with the ever-present threat of wildland fire impacting the Laboratory • LANS performance in response to the Las Conchas fire which directly threatened the Laboratory • LANS recovery, reporting, and immediate corrective actions completed in response to the Las Conchas fire Operational Emergency
95%	COR Analysis			<p>LANS has performed exceptionally in response to the Las Conchas Fire event, including full manning of the EOC for 24 hours a day, over nearly a 7 day period. EOC responders worked exceptionally with outside agencies, the Los Alamos Site Office (LASO), DOE Headquarters, County and State officials, and fire responders. The LANS Emergency Manager worked earnestly in the field to ensure the one spot fire on LANL property was quickly and completely extinguished and that numerous immediate and aggressive mitigation activities (ex. property boundaries, TA-54) were carried out. Post fire actions were done timely and cooperatively with neighboring communities and federal agencies. LANS took on a leadership role in forming an integrated team of state, federal, and tribal experts to develop a common approach to sampling storm water. Emergency notification systems were identified and implemented as well as a broad storm water sampling system. LANS took a pro-active approach and prepared for potential flooding by securing canyon bottoms of materials, equipment and monitoring wells. Samples were collected, analyzed and posted in RACER, although there were some initial delays in maintaining timely updates to the database. Weekly highlights were provided to public officials to ensure timely communications. Maintaining a functioning gage station at station 109.9 with a camera and associated equipment came up short resulting in loss of credibility with the Buckman Board. LANS purchased, took delivery, and trained operators on a new masticator that will provide for more affordable tree thinning/mitigation activities in the upcoming years. LANS completed a Final Emergency Report for the Las Conchas Fire event which was thorough and noted important necessary corrective actions associated with the response. LANS has begun to address these corrective actions through a very ambitious series of improvements to the Emergency Operations Center (EOC) via Fiscal Year 2012 Performance Measures.</p>

Total Fee: \$950,000.00

Overall Rating of PBI 16: OUTSTANDING

PBI No. 18 AWARD TERM INCENTIVES

PBI 18: Award Term Incentives

Completion /Validation Statements:

Measure 18.1 Multi-Year Plans for Laboratory Sustainability

Expectation Statement:

Devise integrated, resource loaded multi-year plans addressing laboratory sustainability.

Completion Assessment:

LANS has submitted completion evidence. NNSA review has validated that this is appropriate.

Measure 18.2 Demonstrate Leadership in Plutonium Science

Expectation Statement:

Begin implementation of the multi-year multi-program integrated *Plutonium Science and Research Strategy* developed in FY 2010 that supports cultivation and maturation of plutonium and actinide science. Identify educational and experience gaps, and develop a strategy to assure retention of senior personnel, and a pipeline of future viable mission talent in support of the plutonium and actinide missions of the laboratory.

Completion Assessment:

LANS has submitted completion evidence. NNSA review has validated that this is appropriate.

Measure 18.3 Delivery of CMRR and NMSSUP II

Expectation Statement:

LANS will accelerate and/or complete key Nuclear Materials Safeguards and Security Upgrades (NMSSUP) Phase II and CMRR milestones as well as integration and planning of the Pajarito Road corridor.

Completion Assessment:

LANS has submitted completion evidence denoting measure not fully achieved. NNSA review has validated that this is appropriate.

Measure 18.4 Reduce Site Nuclear Safety and Worker Safety Risks

Expectation Statement:

Address longstanding safety issues and demonstrate improvement on the following: A) nuclear facility safety, safety bases and controls, and B) work planning and work control.

Completion Assessment:

LANS has submitted completion evidence. NNSA review has validated that this is appropriate.

Measure 18.5 Strategic Supercomputing Application and Technologies

Expectation Statement:

Strategy and implementation of computational science and technology to meet national security programmatic needs.

Completion Assessment:

LANS has submitted completion evidence. NNSA review has validated that this is appropriate.

PBI No. 19 ARRA - ENVIRONMENTAL MANAGEMENT

PBI 19: ARRA - Environmental Management

Maximum Available Fee: **\$4,102,075**
 Fee Earned: **\$3,335,572.90**

PBI 19: ARRA - Environmental Management		AVAILABLE FEE \$4,102,075.00		AWARDED FEE \$3,335,572.90 81%	
		ESSENTIAL	STRETCH	ESSENTIAL	STRETCH
19.5	MDA-B Remediation	\$1,172,021.00		\$937,616.80	
19.6	Building Removal	\$1,054,819.00		\$1,054,819.00	
19.7	Additional Environmental Scope		\$703,213.00		\$464,120.60
19.8	Well Drilling Program	\$586,011.00		\$586,011.00	
19.9	Environmental ARRA Planning, Preparation & Execution		\$586,011.00		\$293,005.50
		\$2,812,851.00	\$1,289,224.00	\$2,578,446.80	\$757,126.10

Completion /Validation Statements:

Measure 19.5 MDA-B Remediation

Expectation Statement:

Complete FY 2011 remediation of MDA-B.

Completion Assessment:

LANS has submitted completion evidence denoting award of full fee, however NNSA review has resulted in a differing position.

Measure 19.6 Building Removal

Expectation Statement:

Complete FY 2011 TA-21 Building Decontamination and Demolition.

Completion Assessment:

LANS has submitted completion evidence denoting award of full fee. NNSA review has validated that this is appropriate.

Measure 19.7 Additional Environmental Scope

Expectation Statement:

Complete additional scope not required by the initial ARRA Work Authorizations.

Completion Assessment:

Subjective rating is "good". Refer to Section V for detailed information.

Measure 19.8 Well Drilling Program

Expectation Statement:

Complete the well drilling program approved for execution under the ARRA Project.

Completion Assessment:

LANS has submitted completion evidence denoting award of full fee. NNSA review has validated that this is appropriate.

Measure 19.9 Environmental ARRA Planning, Preparation and Execution

Expectation Statement:

The NNSA will subjectively evaluate the contractor's performance in areas that enable it to meet EM ARRA work objectives.

Completion Assessment:

Subjective rating is "satisfactory". Refer to Section V for detailed information.

V. DETAILED SUBJECTIVE ANALYSIS

PBI 3: 3.3 Environmental Programs

Maximum Available Fee: \$1,172,021
 Fee Earned: \$722,021.00

PBI 3.3 Environmental Programs

Adjectival Rating for Subjective Evaluation	Adjectivally Rated At-Risk Award Fee Pool Available Range to be Earned	Adjectival Rating Common Definition
Outstanding	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 as defined and measured against the criteria in the award-fee plan for the award fee evaluation period.
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 as defined and measured against the criteria in the award-fee plan for the award-fee evaluation period.
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 as defined and measured against the criteria in the award-fee plan for the award-fee evaluation period.
Satisfactory	No Greater than 50%	Contractor has met overall cost, schedule and Technical performance requirements of the contract as defined and measured against the criteria in the award-fee plan for the award-fee evaluation period.
Unsatisfactory	0%	Contractor has failed to meet overall cost, schedule, and technical performance requirements of the contract as defined and measured against the criteria in the award-fee plan for the award-fee evaluation period.

Measure 3.3 Evaluation Criteria

Total Available Fee: \$1,172,021

		Weighting	Fee Earned	
Good	Performance Evaluation Plan Measure 3.3	100%	\$722,021	<ul style="list-style-type: none"> • Planning, preparation, and execution of EM programs, projects and activities, with emphasis on relationship with the Customer and Regulator • Formal communication with NMED on EM scope is documented and made a matter of record • Consent Order deliverable reoccurring errors identified in NMED NODs • Project Management/Baseline Management to include cost and schedule indices • Progress on Identifying and Implementing Innovative technologies, processes, systems, benchmarks. Must provide quantifiable results in areas such as Safety Basis, Waste Management, etc • Regulatory Compliance with Environmental Requirements: Proactive steps taken to avoid violations, fines, penalties • Speed, Accuracy and Effectiveness addressing Operations and Program Challenges/Emergent Issues • Initiate Positive, Proactive News Coverage of the LANL Environmental Operations and Programs in Close Coordination with LASO • Integration of EM Projects/Operations for efficient execution and economies of scale • Proactive Management and Compliance with Individual Permit for Storm Water • Perform USQD analysis and implement High Energy RTR safety documentation for TRU Waste assay. (It is CCP's responsibility to provide sufficient documentation to conduct USQD analysis)
61.6%	COR Analysis			<p>Given a challenging year with uncertainty in budgets due to a long continuing resolution, cold weather resulting in a gas shortage and the Los Conchas fire, LANS performed well. LANS provided excellent support dealing with issues extraneous to planned annual work. LANS took an aggressive approach to conduct project reviews with a goal of tightening up project estimates and making improvements to budget shortfalls. However, waste management is a weak area for LANS with two Associate Directors having responsibility but the program lacks leadership. A good example is the waste management challenges exhibited at TA-21 during recovery and the recent problem in shipping waste to NNSS (i.e. NNSS trailer/super sack contamination issues). RACER database update performance was unacceptable. Safety Basis and Readiness still plague ADEP work scope with no good solution in sight. Area G remains without a revised approved BIO and precious program dollars continue to be spent without showing much progress. DVS is still unresolved. NMED issued a fine to DOE/LANS for RACER database quality issues. This fine related directly to LANS' performance with RACER. The complete installation of a functioning E109.9 staff gage station was poorly managed. After difficult government-to-government negotiations, the camera and associated equipment did not get installed as communicated. Given the fire and post flooding, this delay tarnished the relationship with the Buckman Board.</p>

Total Fee: \$722,021.00

Overall Rating of PBI 3.3: GOOD

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PBI 5: 5.3 CMRR and UPF Integration

Maximum Available Fee: **\$1,172,022**
 Fee Earned: **\$879,016.00**

PBI 5.3 CMRR and UPF Integration

Adjectival Rating for Subjective Evaluation	Adjectivally Rated At-Risk Award Fee Pool Available Range to be Earned	Adjectival Rating Common Definition
Outstanding	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 as defined and measured against the criteria in the award-fee plan for the award fee evaluation period.
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 as defined and measured against the criteria in the award-fee plan for the award-fee evaluation period.
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 as defined and measured against the criteria in the award-fee plan for the award-fee evaluation period.
Satisfactory	No Greater than 50%	Contractor has met overall cost, schedule and Technical performance requirements of the contract as defined and measured against the criteria in the award-fee plan for the award-fee evaluation period.
Unsatisfactory	0%	Contractor has failed to meet overall cost, schedule, and technical performance requirements of the contract as defined and measured against the criteria in the award-fee plan for the award-fee evaluation period.

Measure 5.3 Evaluation Criteria

Total Available Fee: **\$1,172,022**

		Weighting	Fee Earned	
Good	Performance Evaluation Plan Measure 5.3	100%	\$879,016	<p>1) Collaboration. Develop an integrated work plan, schedule and funding recommendation designed to meet NNSA target funding profiles. Present results as input for the FY 12-16 programming meetings by November 19, 2010.</p> <ul style="list-style-type: none"> • Prepare and present a project "what if" scenario (including scope, cost and schedule impacts) based on NNSA funding guidelines. Reference NNSA letter from Dr Cook to Darrel Kohlhorst dated 15 October 2010 <p>2) Drive Efficiencies and Integration of Corporate Processes. Demonstrate efficient work between the two sites by the development of common plans and/or procedures for work and the integration of corporate processes by September 01, 2011. Initiate Joint Project Team meetings by January 28, 2011.</p> <ul style="list-style-type: none"> • Initiate combine project team meetings to meet quarterly. Focus of team meeting to review and discuss; upcoming schedule activities, recent lessons learned and best practices, multi-site risk mitigation actions and opportunities to share and/or leverage resources. Prepare and issue meeting notes, including a list of attendees within 30 days of the meeting. • Work combined effort to develop a Commercial Grade Dedication program, topic of joint quarterly meeting • Develop and implement a combined process to share procurement resources such as; expediting, shop inspections, supplier qualification, topic of joint quarterly meeting
75%	COR Analysis			<p>Collaboration (25%) - Work by LANS in support NNSA funding targets was demonstrated and full completion of this target was satisfied.</p> <p>Drive Efficiencies and Integration of Corporate Processes</p> <ul style="list-style-type: none"> - Joint team meetings where held to drive collaboration between sites where identification of opportunities and available results were openly discussed. This target was fully satisfied. - The collaborative effort has positively resulted in the development of a Commercial Grade Dedication program for both projects. Meeting and workshops were held and preliminary results will drive future efficiencies for both projects. - There is no evidence to demonstrate that a process has been developed or implemented to share procurement resources. It is noted that concepts that may have future potential have been discussed during the quarterly meeting; however, lack of formalized processes and plans do not support achievement of this target

Total Fee: \$879,016.00

Overall Rating of PBI 5.3: GOOD

PBI 9.5: Energy Management Execution

Maximum Available Fee: \$175,803
 Fee Earned: \$160,000.00

PBI 9.5 Energy Management Execution

Adjectival Rating for Subjective Evaluation	Adjectivally Rated At-Risk Award Fee Pool Available Range to be Earned	Adjectival Rating Common Definition
Outstanding	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 as defined and measured against the criteria in the award-fee plan for the award fee evaluation period.
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 as defined and measured against the criteria in the award-fee plan for the award-fee evaluation period.
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 as defined and measured against the criteria in the award-fee plan for the award-fee evaluation period.
Satisfactory	No Greater than 50%	Contractor has met overall cost, schedule and Technical performance requirements of the contract as defined and measured against the criteria in the award-fee plan for the award-fee evaluation period.
Unsatisfactory	0%	Contractor has failed to meet overall cost, schedule, and technical performance requirements of the contract as defined and measured against the criteria in the award-fee plan for the award-fee evaluation period.

Measure 9.5 Evaluation Criteria

Total Available Fee: \$175,803

		Weighting	Fee Earned	
Outstanding	Performance Evaluation Plan Measure 9.5	100%	\$160,000	Pursuit of PBI 9.5 Targets 1, 10, 13 (with consideration of Las Conchas Fire impacts)
91%	COR Analysis			Fee is associated with pursuit of three specific completion targets, 1, 10, and 13. Target 1: Despite impacts of Las Conchas fire, significant progress was made in energy and water audits which should result in successful completion of 100% audit of 100% of enduring space every four years per the energy audit plan. Target 10: LANS Improved use of night set-backs from 34% to 66%, completing those with implementation costs <\$10K, and are on schedule to have remaining systems operation in FY2012. Target 13: LANS was able to bring one building to be substantially compliant with HPSB Guiding Principles, however this completion target was not fully compliant, as such, it is recommended that partial fee be awarded for this element.

Total Fee: \$160,000.00

Overall Rating of PBI 9.5: OUTSTANDING

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PBI 19.7 Additional Environmental Scope

Maximum Available Fee: **\$703,213**
 Fee Earned: **\$464,120.60**

PBI 19.7 Additional Environmental Scope

Adjectival Rating for Subjective Evaluation	Adjectivally Rated At-Risk Award Fee Pool Available Range to be Earned	Adjectival Rating Common Definition
Outstanding	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 as defined and measured against the criteria in the award-fee plan for the award fee evaluation period.
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 as defined and measured against the criteria in the award-fee plan for the award-fee evaluation period.
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Satisfactory	No Greater than 50%	Contractor has met overall cost, schedule and Technical performance requirements of the contract as defined and measured against the criteria in the award-fee plan for the award-fee evaluation period.
Unsatisfactory	0%	Contractor has failed to meet overall cost, schedule, and technical performance requirements of the contract as defined and measured against the criteria in the award-fee plan for the award-fee evaluation period.

Measure 19.7 Evaluation Criteria

Total Available Fee: \$703,213

		Weighting	Fee Earned	
Good	Performance Evaluation Plan Measure 19.7	100%	\$464,120.60	This measure has been achieved when the Contractor has completed the following by September 30, 2011: 1. Accomplished \$5 to \$15M of additional work scope within the Environmental Program.
66%	COR Analysis			LANS managed four projects in ARRA that resulted in savings of approximately \$19M in three of the projects. The intent of this measure was to identify additional "buy back" projects that would further the cleanup mission beyond the four funded projects. Two additional D&D projects and one waste line activity were identified and completed at a total cost of approximately \$4M with the savings. However, most of the funding was rolled back into the excavation of MDA B that was plagued by additional quantity of material and higher curies of plutonium. Given the stringent ARRA requirements to complete these projects, LASO EPO takes into account that LANS drove efficiencies in three of the projects to obtain the large savings.

Total Fee: **\$464,120.60**

Overall Rating of PBI 19.7: GOOD

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PBI 19.9 Environmental ARRA Planning, Preparation and Execution

Maximum Available Fee: \$586,011
 Fee Earned: \$293,005.50

PBI 19.9 Environmental ARRA Planning, Preparation and Execution

Adjectival Rating for Subjective Evaluation	Adjectivally Rated At-Risk Award Fee Pool Available Range to be Earned	Adjectival Rating Common Definition
Outstanding	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 as defined and measured against the criteria in the award-fee plan for the award fee evaluation period.
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 as defined and measured against the criteria in the award-fee plan for the award-fee evaluation period.
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 as defined and measured against the criteria in the award-fee plan for the award-fee evaluation period.
Satisfactory	No Greater than 50%	Contractor has met overall cost, schedule and Technical performance requirements of the contract as defined and measured against the criteria in the award-fee plan for the award-fee evaluation period.
Unsatisfactory	0%	Contractor has failed to meet overall cost, schedule, and technical performance requirements of the contract as defined and measured against the criteria in the award-fee plan for the award-fee evaluation period.

Measure 19.9 Evaluation Criteria

Total Available Fee: \$586,011

		Weighting	Fee Earned	
Satisfactory	Performance Evaluation Plan Measure 19.9	100%	\$293,005.50	<ul style="list-style-type: none"> • Demonstrate excellence and professionalism in the planning, preparation, and execution of EM ARRA programs, projects and activities, with emphasis on relationship with Customer and Regulator. • Receipt of Notice of Violations (NOVs) from NMED for work under the scope of ARRA. • Cost and schedule indices • Formal communication with NMED on ARRA scope is documented and made a matter of record. • Proactive management of external and internal interfaces. • Management of emergent issues • ARRA project closeouts
50%	COR Analysis			<p>Corporate reach back occurred on several occasions to assist in reviewing troubled projects, mainly MDA-B. Communication and partnering with the regulator was executed well given the ARRA challenges. Project closeout documentation was developed in accordance with DOE O 413.3B and associated EM ARRA guidelines. LANS replaced project manager to drive the project to better performance. However, primary customer interface relationship was handled somewhat coarsely throughout the year. Honesty in project performance and eventual outcomes should have been handled more aggressively and issues identified much sooner on the execution of MDA-B. Lack of risk mitigation and forward thinking led to end of year funding issues with no solutions. Upper management within both EM and NNSA had to be engaged in the decisions to rectify the funding shortfalls. Waste management was a huge disappointment and lacked expertise and management structure. Cost issues in particular were not handled soon enough on MDA-B. LASO realized that the scope was changing but LANS failed to highlight the cost impacts soon enough and handled the change process somewhat casually. LANS did not elevate this issue through the proper management channels and relied on LASO to guide this through the system.</p>

Total Fee: \$293,005.50

Overall Rating of PBI 19.9: SATISFACTORY