

# **CONFORMED CONTRACT**

**Updated to include changes through Modification  
1019**

**(Red text denotes revisions)**

**Effective March 2022**

**U. S. Department of Energy  
Savannah River Operations Office  
Management & Operating (M&O) Contract  
DE-AC09-08SR22470  
with  
Savannah River Nuclear Solutions, LLC (SRNS)**

**PART I - THE SCHEDULE**

**SECTION B**

**SUPPLIES OR SERVICES AND PRICES/COSTS**

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**PART I - THE SCHEDULE**

**SECTION B**

**SUPPLIES OR SERVICES AND PRICES/COSTS**

**B-1 SERVICES BEING ACQUIRED (Mod 898)**

~~The Contractor shall, in accordance with the terms of this Contract, provide the personnel, equipment, materials, supplies, and services (except as may be furnished by the Government) and otherwise do all things necessary for, or incident to, providing its best efforts so as to carry out in an efficient and effective manner all necessary and related services to manage and operate the Savannah River Site (SRS) owned by the U.S. Department of Energy (DOE) located near Aiken, South Carolina, as described in Section C, Statement of Work (SOW), or as may be directed by the Contracting Officer (CO) within the scope of this Contract.~~

**B-1.1 Contract Line Item Number (CLIN) 0001, Management and Operations (M&O) Reimbursable Work**

The Contractor shall, in accordance with the terms of this Contract, provide the personnel, equipment, materials, supplies, and services (except as may be furnished by the Government) and otherwise do all things necessary for, or incident to, providing its best efforts so as to carry out in an efficient and effective manner all necessary and related services to manage and operate the Savannah River Site (SRS) owned by the U.S. Department of Energy (DOE) located near Aiken, South Carolina, as described in Section C, Statement of Work (SOW), or as may be directed by the Contracting Officer (CO) within the scope of this Contract.

**B-1.2 Contract Line Item Number (CLIN) 0007, Capital Construction Projects for the DOE-SR and National Nuclear Security Administration (NNSA)**

The Contractor shall, in accordance with the terms and conditions of this Contract, provide the personnel, equipment, materials, supplies, and services (except as may be furnished by the Government) and otherwise do all things necessary for, or incidental to, the efficient, effective, and safe management and/or performance of Capital Construction Projects for DOE-SR or NNSA as defined in Clause H-71 of this contract, and any other construction projects the parties mutually agree will be performed under this CLIN 0007. Each CLIN 0007 Capital Construction Project shall be identified hereunder as a Sub-CLIN and incorporated into CLIN 0007 via contract modification. The cost and fee associated with each Sub-CLIN established under CLIN 0007 shall form a separate and distinct fee pool from CLIN 0001, and shall be accounted for and reported separately from CLIN 0001. With respect to calculating the plus or minus 10% changes to the fee base as described in subparagraph B-2.3(b) of this contract, the estimated costs of CLINs 0001 and 0007 shall be summed.

**B-2 TRANSITION COST, ESTIMATED COST, FIXED FEE, AND MAXIMUM AVAILABLE FEE**

**B-2.1 Transition Activities**

The Total Estimated Cost for the Transition Term of the Contract is:

<u>Transition Term of the contract</u>	<u>Total Estimated Cost</u>
January 10, 2008 – January 22, 2008**	\$ *
April 25, 2008 – July 31, 2008***	
July 31, 2008****	
March 31, 2009*****	

[\*The estimated costs will be negotiated with the CO after contract award. The successful Offeror shall submit a proposed Transition Cost estimate to the CO for approval within 10 days after contract award. There will be no fee paid on transition costs.]

\*\* GAO protest filed and stay of performance issued on January 23, 2008

\*\*\* Notice to proceed issued on April 25, 2008

\*\*\*\* Authorization to Begin Management and Operations of Contract No DE-AC09-08SR22470 Beginning August 1, 2008 (CMD-08-058)

\*\*\*\*\* Authorization to Assume Responsibility for the Transportation and Mechanical Services Scope of Work under the Savannah River M&O Contract No. DE-AC09-08SR22470, Beginning April 1, 2009 (CMD-09-143)

## B-2.2 Fixed Fee

The Contractor shall be paid a fixed fee of \$10,325,707 for the first seven months of the base contract period August 1, 2008 – February 28, 2009. (Modification M015)

## B-2.3 Total Available Fee

- (a) The total available fee for the base period of the contract, beginning August 1, 2008, inclusive of the 38 month period of performance, with ~~and~~ the remaining option period (if exercised) is shown below. The total available fee shall be made available in accordance with Section I Clause entitled, DEAR 970.5215-1 "Total Available Fee: Base Fee Amount and Performance Fee Amount." Since the total available fee for each period has been established below, there will be no annual negotiation of total available fee at the beginning of each fiscal year as contemplated in paragraph (b) of the above referenced clause. (Modifications M015, 320 326, 791, 857)

The NNSA portion of the fee for the period of August 1, 2018 through September 30, 2018 is added to the NNSA fee pool for the period of October 1, 2017 through July 31, 2018. For the purpose of NNSA award fee determinations under clauses H-28, Performance Based Incentives and I-40, DEAR 970.5215-1 Total Available Fee: Base Fee Amount and Performance

Fee Amount, the evaluation periods for performance after September 30, 2017 are October 1, 2017 through September 30, 2018 and October 1, 2018 through July 31, 2019. (Mod 791)

In order to maintain fiscal year evaluation periods for NNSA work under this contract, the parties hereby agree that the NNSA portion of the fee for the performance period of August 1, 2019 through September 30, 2019 may be added to the NNSA fee pool for the performance period of October 1, 2019 through July 31, 2019. For the purpose of NNSA award fee determinations under clause H-28, Performance Based Incentives and I-40, DEAR 970.5215-1 Total Available Fee: Base Fee Amount and Performance Fee Amount, the evaluation periods for performance from September 30, 2018 through September 30, 2020 will be October 1, 2018 through September 30, 2019 and October 1, 2019 through September 30, 2020. (Mod 857)

PERFORMANCE PERIOD	Total Available Fee
<b>Base Contract Period Inclusive of 38 Month POP</b>	
August 1, 2008 – February 28, 2009	\$10,325,707
March 1, 2009* – September 30, 2009	\$22,502,292
October 1, 2009 – September 30, 2010	\$50,354,780
October 1, 2010 – September 30, 2011	\$49,750,000
October 1, 2011 – September 30, 2012	\$48,950,000
October 1, 2012 – September 30, 2013	\$56,035,000
October 1, 2013 – September 30, 2014	\$46,535,000
October 1, 2014 – September 30, 2015	\$45,730,000
October 1, 2015 – September 30, 2016	\$44,930,000
October 1, 2016 – September 30, 2017	\$44,211,120
October 1, 2017 – July 31, 2018	\$39,363,880
August 1, 2018 – July 31, 2019 (Mod 791)	\$44,711,120
August 1, 2019 – September 30, 2020 (Mod 857)	\$87,721,000
October 1, 2020 – September 30, 2021 (Mod 915, 917, 986)	<del>\$76,550,095</del> \$75,350,095
October 1, 2021 – September 30, 2022 (Mod 994)	\$83,002,002
REMAINING OPTION PERIODS (Mod 857)	
Total Fixed and Available Fee (Mod 986)	<del>\$750,671,996</del> \$749,471,996

- (a) (1) Supplemental Fee Pool Schedule for ARRA Scope of work fee “periods” and the related “total available fee”. (Modification A024, 045, 049, 060, 078)

NOTE: Modification A024, paragraph H states –

Within 3 months after effective date of this modification, the contractor shall propose to the Contracting Officer a supplemental Performance Evaluation and Measurement Plan to accommodate the accelerated Contract Performance Baseline. Upon definitization of this supplemental PEMP, Section B paragraph “B-2.3 Total Available Fee” will be modified to add a separate supplemental fee pool schedule specifying the ARRA scope of work fee “periods” and the related “total available fee.” This shall be added, as a new paragraph, at B-2.3 (a) (1). The contractor fee pool for this Recovery Act funded work shall be commensurate with the fee pool percentage the contractor bid on for the competed work scope under the original base prime contract. The Contractor and the Government agree the Total Available Fee Pool schedule shall be definitized no later than the date of the supplemental PEMP definitization.

NOTE: Mod. 92 definitized the ARRA PEMP (Mods 158, 173, 201, 237 273, and 312 provided revisions to the ARRA PEMP)

The below Table definitizes the ARRA Firm Fixed Fee for 2009 and 2010, and reflects remaining available fee. (Mod. 095, 096, 098)

**ARRA Fee Table**

<b>Fiscal Year (FY)</b>	<b>Firm Fixed Fee</b>
<b>FY 2009</b>	\$12,771,272
<b>FY 2010 (10/1/09-7/31/10)</b>	\$19,305,469
<b>FY 2010 (8/1-10 –12/31/12) Available Fee Pool</b>	\$55,394,448
<b>Total Fee</b>	\$87,471,189

Once the PEMP is definitized, (covers the period from August 1, 2010 through September 30, 2011) the fee will be paid from the remaining fee

pool. The remaining fee pool will be established after reapportionment is approved.

Contractor has provided a list of deliverables/accomplishments to the contracting officer for establishment of the FY2010 Firm Fixed Fee. (identified above)

This modification replaces Mod 060 in its entirety. (Mod. 084)

NOTE: Review Mods. 045, 049, and 060, 090 for additions to Contract.

- (a) (2) National Nuclear Security Administration (NNSA) MOX Termination and Transition and

Proposed Savannah River Plutonium Processing Facility (SRPPF) work for the performance period October 1, 2018 through July 31, 2019. The negotiated fee base associated with this work is \$42,982,601. The negotiated fixed fee for this work is \$1,751,066. The breakdown of this fee/fee base is:

Program	B&R	Fee Base	Fixed Fee
MOX Termination and Transition	39DN00101	\$22,157,685.00	\$ 902,680.80
Proposed SRPPF	MB0502	\$20,824,916.00	\$ 848,385.20
Total		\$42,982,601.00	\$1,751,066.00

All fee (and adjusted fee base) related to the MOX Termination and Transition and the Proposed SRPPF work performed under this contract before July 31, 2019 has been included in contract modification number 0908. (Mod 908)

~~(b) At the end of each performance period specified above, there shall be no adjustment in the amount of the total available fee based on differences between any estimate of cost for performance of the work and the actual cost for performance of the work. Fee is subject to adjustment only under the provisions of the clause in Section I entitled, DEAR 970.5243-1 "Changes"; and, for a plus or minus 10% change in the estimated fee base of \$719,354,000 upon which the awarded contract was based.~~

- (b) At the end of each performance period specified above, there shall be no adjustment in the amount of the total available fee based on differences between any estimate of cost for performance of the work and the actual cost for performance of the work. Fee is subject to adjustment only under the provisions of the clause in Section I entitled, DEAR 970.5243-1 "Changes"; and, for a plus or minus 10% change in the estimated fee base of \$1.2B upon which contract extension #2 was based. (Mod 857)

Any adjustment in the amount of the fee under the provision of this paragraph for fees specified in paragraph B-2.3(a) above, shall take into consideration the ratio (see equation below) between the Contractor's fee specified in paragraph B-2.3(a) above of the original contract and the maximum fees specified in Section L-3 of the Request for Proposal No. DE-RP09-06SR22470. The revised fee will be calculated in accordance with the fee policy then in effect, utilizing the adjusted fee base, while maintaining the ratio described above.

$$\frac{\text{Maximum Available Performance Fee for Applicable Year of Paragraph B-2.3(a) above}}{\$50,354,780} = \text{Ratio}$$

- (c) The CO may mutually negotiate with the Contractor additional available fee for additional work that is not covered by the available budget. The funds for such work and the associated available fee shall be funded through the Contractor's efficiencies in accomplishing the otherwise funded work. The additional work shall be performed in a safe manner that meets all necessary requirements; and the performance of the additional work shall not affect the safe, proper performance of the otherwise funded work. Any additional work shall be authorized in accordance with the provision in Section ~~H~~ I entitled, "Work Authorization System" and the basis for earning the additional available fee shall be included in the Performance Evaluation and Measurement Plan (PEMP) in accordance with the provision in Section H entitled "Performance-Based Incentives."

**B-2.4 Fee Structure for CLIN 0007, Capital Construction Projects for the Department of Energy Savannah River Operations Office (DOE-SR) and National Nuclear Security Administration (NNSA) (Mod 898)**

The fee structure(s), and associated terms and conditions established under CLIN 0007 will be determined at the time the Sub-CLIN is awarded.

**B-3 AVAILABILITY OF APPROPRIATED FUNDS**

Except as may be specifically provided to the contrary in the clause in Section I entitled, DEAR 952.250-70 "Nuclear Hazards Indemnity Agreement," the duties and obligations of the Government hereunder calling for the expenditure of appropriated funds shall be subject to the availability of funds appropriated by the Congress, which DOE may legally spend for such purposes.



**B-4 OBLIGATION OF FUNDS**

(Modifications A002, A003, A004, A005, A006, A007, A008, A009, A010, A011, A012, A013, A014, A016, A018, A019, A020, A023, A024, A025, A026, A027, A029, A030, 031, 032, 033, 034, 035, 036, 037, 038, 039, 040, 041, 042, 043, 044, 047, 048, 050, 054, 056, 057, 058, 059, 060, 061, 062, 063, 064, 066, 069, 070, 071, 072, 073, 074, 076, 077, 078, 080, 081, 083, 086, 087, 088, 089, 094, 100, 101, 102, 103, 104, 105, 107, 108, 109, 110, 111, 112, 113, 116, 117, 120, 122, 123, 124, 126, 127, 128, 129, 132, 133, 134, 135, 136, 138, 139, 140, 142, 143, 144, 146, 147, 148, 149, 150, 151, 153, 154, 155, 156, 159, 160, 161, 162, 164, 165, 168, 169, 170, 171, 172, 174, 175, 176, 177, 178, 179, 180, 182, 183, 184, 185, 186, 187, 190, 191, 192, 194, 195, 196, 197, 198, 199, 202, 203, 204, 205, 206, 207, 208, 209, 210, 211, 212, 213, 214, 215, 217, 218, 219, 220, 221, 222, 223, 224, 225, 226, 227, 228, 231, 232, 233, 234, 235, 238, 240, 241, 242, 243, 245, 246, 247, 248, 249, 252, 253, 254, 256, 257, 258, 259, 260, 263, 264, 269, 270, 271, 272, 274, 275, 276, 277, 278, 279, 282, 283, 284, 287, 288, 289, 290, 296, 297, 298, 299, 302, 303, 304, 307, 308, 309, 311, 313, 315, 316, 317, 318, 323, 324, 325, 329, 330, 331, 337, 338, 339, 344, 345, 346, 348, 350, 351, 352, 357, 360, 361, 362, 363, 365, 366, 369, 370, 371, 372, 373, 379, 380, 381, 382, 387, 388, 389, 394, 395, 396, 400, 401, 405, 406, 407, 411, 412, 414, 415, 416, 418, 419, 420, 424, 425, 426, 432, 433, 434, 436, 438, 439, 440, 442, 445, 446, 447, 449, 454, 455, 456, 459, 460, 461, 464, 465, 466, 468, 473, 474, 475, 480, 481, 482, 483, 484, 485, 487, 491, 492, 493, 495, 496, 497, 502, 503, 504, 506, 507, 510, 511, 512, 513, 516, 517, 518, 520, 521, 522, 528, 529, 530, 533, 534, 535, 538, 539, 540, 541, 544, 545, 546, 547, 548, 552, 554, 555, 556, 557, 558, 559, 561, 562, 563, 568, 569, 570, 575, 576, 577, 583, 584, 586, 588, 589, 590, 593, 594, 595, 597, 598, 599, 601, 602, 603, 606, 607, 608, 610, 612, 613, 614, 616, 617, 618, 621, 622, 623, 628, 629, 630, 631, 633, 634, 635, 640, 641, 642, 645, 646, 647, 650, 651, 652, 655, 656, 658, 659, 660, 664, 665, 666, 668, 669, 670, 672, 673, 674, 677, 678, 679, 681, 682, 683, 687, 688, 689, 691, 695, 696, 697, 699, 703, 704, 705, 707, 708, 709, 710, 714, 715, 716, 707, 708, 709, 710, 714, 715, 716, 718, 719, 721, 724, 725, 726, 729, 730, 731, 733, 734, 737, 738, 739, 742, 743, 744, 746, 747, 748, 750, 751, 752, 754, 755, 756, 757, 758, 759, 760, 764, 765, 766, 768, 769, 770, 773, 774, 775, 778, 780, 781, 782, 784, 787, 788, 790, 794, 795, 796, 798, 799, 800, 804, 805, 806, 807, 810, 812, 813, 814, 816, 817, 818, 821, 822, 823, 825, 826, 827, 829, 830, 831, 836, 837, 838, 840, 841, 842, 844, 845, 846, 848, 849, 850, 851, 852, 853, 858, 859, 860, 864, 865, 866, 868, 869, 870, 873, 874, 875, 877, 878, 880, 881, 882, 885, 886, 887, 889, 890, 891, 893, 894, 895, 896, 899, 900, 901, 905, 906, 907, 911, 912, 913, 918, 919, 920, 923, 924, 925, 930, 931, 932, 934, 935, 936, 939, 940, 941, 946, 947, 948, 950, 951, 952, 955, 956, 957, 962, 963, 964, 968, 969, 970, 971, 973, 974, 975, 977, 978, 979, 980, 981, 982, 983, 984, 985, 987, 988, 989, 990, 991, 992, 993, 997, 998, 999, 1001, 1004, 1005, 1006, 1010, 1011, 1012, 1013, 1014, 1015, 1016, 1017, 1018).

Pursuant to the clause in Section I entitled, DEAR 970.5232-4 "Obligation of Funds," the total amount obligated by the Government with respect to this Contract is \$16,381,211,586.49 (Mod 1018).

NOTE: Mod. A020 added Pension Funding and Mods. A024, 025, 030, 035, 039, 041, 044, 048, 061, 063, 064, 066, 069, 070, 072, 077, 078, 080, 086, 090, 091, 114, 115, 145, 311, 313, 348, 538, 544, 565, 573, and 578 amended Recovery Act Funding.

NOTE: Mod. 024, paragraph A, D and E state -

- A. This modification is issued to obligate American Recovery and Reinvestment Act of 2009, Pub. L. 1115 (Recovery Act) funds for the purpose of accelerating completion of Environmental Management (EM) Closure Activities specified in Section C-3.1(a) through C-3.1(c) of the contract. (Modifications A024, 045, 060)
- D The work described in this modification shall be performed using funds which have been appropriated under the Recovery Act, and as such, is subject to the special statutory conditions and the additional contractual terms and conditions that are listed in paragraphs E through N below. The funds obligated hereunder shall only be used to accomplish the work as set forth in paragraph C. above and may not be used for any other purpose without the prior written consent of the Contracting Officer.
- E. Savannah River Nuclear Solutions (SRNS) shall begin work immediately. The Contractor shall notify the Contracting Officer in writing whenever it has reason to believe that the costs it expects to incur will exceed 80% of the cost ceiling for each revised Work Authorization, which is the Contract Cost Ceiling allotted to date, by the Government. (Mods. 145 and 157 raised the cost ceiling to 100% for all ARRA B&Rs which supersedes Paragraph 14-E at Mod 024)

NOTE: Mod 055 states –

The ARRA requires a high degree of accountability on the use of the funds, and special attention must be given to maintaining strong cost controls over such funds. For ARRA work under Contract DE-AC09-08SR22470, the parties understand and agree that cost controls have been established and remain in place through the use of individual cost limitations (ceilings) cited on each ARRA Work Authorization. The parties further understand and agree that those cost limitations (ceilings) will continue to apply to ARRA work as follows:

- (1) At the onset of contract DE-AC09-08SR22470, the contractor agreed, by I-53, Clause DEAR 970.5232-4 – Obligation of Funds (DEC 2000), subparagraph (d)(1), to comply with specific limitations (ceilings) on costs that become effective during contract performance. The parties understand and agree that the cost limitation (ceiling) cited on each ARRA Work Authorization complies with the purpose and intent of contract clause I-53.
- (2) In determining allowable costs under ARRA, the parties recognize the importance of the basic element of allowability as stated in FAR Subpart 31.201-2a(4) in that the terms of the contract are essential for cost being found allowable or expressly unallowable. Keeping with that basic element, Contract DE-AC09-08SR22470

provides for payment of allowable ARRA incurred costs, to the extent prescribed in the contract.

- (3) The specific cost limitations (ceilings) for each ARRA Work Authorization have been maintained under contract DE-AC09-08SR22470 since the issuance of contract Modification 024. These ceilings were established by ARRA B&R code and remain in place for each ARRA B&R code. The parties hereby reaffirm that costs exceeding an ARRA B&R cost limitation (ceiling) may become expressly unallowable if proper notice has not been provided to the Contracting Officer by the contractor and a subsequent ceiling adjustment is approved, in writing, by the Contracting Officer.
- (4) **ARRA B&R Cost Ceilings:** The table below shows the Work Authorizations funded by ARRA and the cost limitations (ceilings) that remain in full force and effect as of the effective date of this mod.

NOTE: Mod. 090, 091, 106, 118, 121, 145, 157, 200, 255, 311, 348, and 359.

<b>Work Authorization Number</b>	<b>Rough Order of Magnitude</b>	<b>Obligation</b>	<b>Cost Ceiling</b>
ARRA-SRS-3-09-01 Rev. 14	\$416,663,190.07	\$416,663,190.07	\$416,663,190.07
ARRA-SRS-3-09-02 Rev. 11	\$ 23,528,466.72	\$ 23,528,466.72	\$ 23,528,466.72
ARRA-SRS-3-09-03 Rev. 10	\$235,724,923.54	\$235,724,923.54	\$235,724,923.54
ARRA-SRS-3-09-04 Rev. 15	\$720,136,663.50	\$720,136,663.50	\$720,136,663.50
<b>Totals:</b>	<b>\$1,396,053,243.83</b>	<b>\$1,396,053,243.83</b>	<b>\$1,396,053,243.83</b>

The parties understand and agree that any future change made by the Contract Officer to a Work Authorization shall not be considered an authorization to exceed a B&R cost ceiling unless the change contains a specific statement increasing the ceiling.

NOTE: Mod. 090 Savannah River Nuclear Solutions shall not exceed Cost Ceilings of the obligated funding without prior written approval of the Contracting Officer.

- (5) **ARRA B&R Cost Ceiling Notification:** The Contractor shall notify the Contracting Officer in writing whenever it has reason to believe the costs the Contractor expects to incur within the next 60 days, when added to all costs previously incurred, will exceed 80 percent of the B&R cost ceiling. As part of the notification, the Contractor shall provide the Contracting Officer a revised estimate for continuing work under the associated Work Authorization. The Government is not obligated to reimburse the

Contractor for costs incurred in excess of any B&R cost ceilings if proper and timely notice has not been provided to the Contracting Officer.

#### **B-5 SUPPLEMENTAL FEE PAYMENT PROVISIONS**

The National Nuclear Security Administration (NNSA) and Environmental Management (EM) incentives established under this contract are contained in the PEMP. Provisions regarding payment of the incentives are included in the PEMP. Special provisions regarding payment of an incentive may also be included in the incentive itself.

#### **B-6 KEY PERSONNEL REPLACEMENT**

Unless approved in advance, in writing, by the CO, should any Key Personnel be removed, replaced, or diverted by the Contractor for reasons under the Contractor's control (other than to maintain satisfactory standards of employee competency, conduct, and integrity under the clause in Section I entitled, DEAR 970.5203-3 "Contractor's Organization") within the first two years of performance from the effective date of the contract (SF 33, Block 2); or for a replacement Key Person within two years of being placed in the position, the Contractor shall forfeit \$1,000,000 in fee if said Key Person is the chief executive ~~or Savannah River National Laboratory (SRNL) director~~ (Mod 986), and \$500,000 in fee for each occurrence with all other Key Personnel.

#### **B-7 SINGLE FEE**

If the Contractor is part of a consortium, joint venture, and/or other teaming arrangement, the team shall share in this Contract fee structure and separate additional subcontractor fee for teaming partners shall not be considered an allowable cost under the contract. If a subcontractor, supplier, or lower-tier subcontractor is a wholly owned, majority owned, or affiliate of any team member, any fee or profit earned by such entity shall not be considered an allowable cost under this contract.

#### **B-8 ALLOWABILITY OF SUBCONTRACTOR FEE (Amendment 002)**

The subcontractor fee restriction in Paragraph B-7 above does not apply to members of the Contractor's team that are: (1) small business(es); or (2) protégé firms as part of an approved Mentor-Protégé relationship under the clause in Section L entitled, DEAR 952.219-70 "DOE Mentor-Protégé Program."

#### **B-9 DEAR 970.5215-3 CONDITIONAL PAYMENT OF FEE, PROFIT, AND OTHER INCENTIVES -- FACILITY MANAGEMENT CONTRACTS (JAN 2004) ALTERNATE II [JAN 2004] [DEVIATION]**

(a) General.

(1) The payment of earned fee, fixed fee, profit, or share of cost savings

under this contract is dependent upon:

- (i) The contractor's or contractor employees' compliance with the terms and conditions of this contract relating to ES&H, which includes worker safety and health (WS&H), including performance under an approved Integrated Safety Management System (ISMS); and
  - (ii) The contractor's or contractor employees' compliance with the terms and conditions of this contract relating to the safeguarding of Restricted Data and other classified information.
- (2) The ES&H performance requirements of this contract are set forth in its ES&H terms and conditions, including the DOE approved contractor ISMS or similar document. Financial incentives for timely mission accomplishment or cost effectiveness shall never compromise or impede full and effective implementation of the ISMS and full ES&H compliance.
  - (3) The performance requirements of this contract relating to the safeguarding of Restricted Data and other classified information are set forth in the clauses of this contract entitled, "Security" and "Laws, Regulations, and DOE Directives," as well as in other terms and conditions.
  - (4) If the contractor does not meet the performance requirements of this contract relating to ES&H or to the safeguarding of Restricted Data and other classified information during any performance evaluation period established under the contract pursuant to the clause of this contract entitled, "Total Available Fee: Base Fee Amount and Performance Fee Amount," otherwise earned fee, fixed fee, profit or share of cost savings may be unilaterally reduced by the contracting officer.
- (b) Reduction Amount.
- (1) The amount of earned fee, fixed fee, profit, or share of cost savings that may be unilaterally reduced will be determined by the severity of the performance failure pursuant to the degrees specified in paragraphs (c) and (d) of this clause.
  - (2) If a reduction of earned fee, fixed fee, profit, or share of cost savings is warranted, unless mitigating factors apply, such reduction shall not be less than 26% nor greater than 100% of the amount of earned fee, fixed fee, profit, or the contractor's share of cost savings for a first degree performance failure, not less than 11% nor greater than 25% for a second degree performance failure, and up to 10% for a third degree performance failure.
  - (3) In determining the amount of the reduction and the applicability of mitigating factors, the contracting officer must consider the contractor's overall performance in meeting the ES&H or security requirements of the contract. Such consideration

must include performance against any site specific performance criteria/requirements that provide additional definition, guidance for the amount of reduction, or guidance for the applicability of mitigating factors. In all cases, the contracting officer must consider mitigating factors that may warrant a reduction below the applicable range (see 48 CFR 970.1504-1-2). The mitigating factors include, but are not limited to, the following ((v), (vi), (vii) and (viii) apply to ES&H only).

- (i) Degree of control the contractor had over the event or incident.
- (ii) Efforts the contractor had made to anticipate and mitigate the possibility of the event in advance.
- (iii) Contractor self-identification and response to the event to mitigate impacts and recurrence.
- (iv) General status (trend and absolute performance) of: ES&H and compliance in related areas; or of safeguarding Restricted Data and other classified information and compliance in related areas.
- (v) Contractor demonstration to the contracting officer's satisfaction that the principles of industrial ES&H standards are routinely practiced (e.g., Voluntary Protection Program, ISO 14000).
- (vi) Event caused by "Good Samaritan" act by the contractor (e.g., offsite emergency response).
- (vii) Contractor demonstration that a performance measurement system is routinely used to improve and maintain ES&H performance (including effective resource allocation) and to support DOE corporate decision-making (e.g., policy, ES&H programs).
- (viii) Contractor demonstration that an Operating Experience and Feedback Program is functioning that demonstrably affects continuous improvement in ES&H by use of lessons-learned and best practices inter- and intra-DOE sites.

- (4) (i) The amount of fee, fixed fee, profit, or share of cost savings that is otherwise earned by a contractor during an evaluation period may be reduced in accordance with this clause if it is determined that a performance failure warranting a reduction under this clause occurs within the evaluation period.
- (ii) The amount of reduction under this clause, in combination with any reduction made under any other clause in the contract, shall not exceed the amount of fee, fixed fee, profit, or the contractor's share of cost savings that

is otherwise earned during the evaluation period.

- (iii) For the purposes of this clause, earned fee, fixed fee, profit, or share of cost savings for the evaluation period shall mean the amount determined by the contracting officer or fee determination official as otherwise payable based on the contractor's performance during the evaluation period. Where the contract provides for financial incentives that extend beyond a single evaluation period, this amount shall also include: any provisional amounts determined otherwise payable in the evaluation period; and, if provisional payments are not provided for, the allocable amount of any incentive determined otherwise payable at the conclusion of a subsequent evaluation period. The allocable amount shall be the total amount of the earned incentive divided by the number of evaluation periods over which it was earned.
- (iv) The Government will effect the reduction as soon as practicable after the end of the evaluation period in which the performance failure occurs. If the Government is not aware of the failure, it will effect the reduction as soon as practical after becoming aware. For any portion of the reduction requiring an allocation the Government will effect the reduction at the end of the evaluation period in which it determines the total amount earned under the incentive. If at any time a reduction causes the sum of the payments the contractor has received for fee, fixed fee, profit, or share of cost savings to exceed the sum of fee, fixed fee, profit, or share of cost savings the contractor has earned (provisionally or otherwise), the contractor shall immediately return the excess to the Government. (What the contractor "has earned" reflects any reduction made under this or any other clause of the contract.)
- (v) At the end of the contract:
  - (A) The Government will pay the contractor the amount by which the sum of fee, fixed fee, profit, or share of cost savings the contractor has earned exceeds the sum of the payments the contractor has received; or
  - (B) The contractor shall return to the Government the amount by which the sum of the payments the contractor has received exceeds the sum of fee, fixed fee, profit, or share of cost savings the contractor has earned. (What the contractor "has earned" reflects any reduction made under this or any other clause of the contract.)
- (c) Environment, Safety and Health (ES&H). Performance failures occur if the contractor does not comply with the contract's ES&H terms and conditions, including the DOE approved contractor ISMS. The degrees of performance failure under which reductions

of earned or fixed fee, profit, or share of cost savings will be determined are:

- (1) First Degree: Performance failures that are most adverse to ES&H. Failure to develop and obtain required DOE approval of an ISMS is considered first degree. The Government will perform necessary review of the ISMS in a timely manner and will not unreasonably withhold approval of the contractor's ISMS. The following performance failures or performance failures of similar import will be considered first degree.
  - (i) Type A accident (defined in DOE Order 225.1A).
  - (ii) Two Second Degree performance failures during an evaluation period.
- (2) Second Degree: Performance failures that are significantly adverse to ES&H. They include failures to comply with an approved ISMS that result in an actual injury, exposure, or exceedence that occurred or nearly occurred but had minor practical long-term health consequences. They also include breakdowns of the Safety Management System. The following performance failures or performance failures of similar import will be considered second degree:
  - (i) Type B accident (defined in DOE Order 225.1A).
  - (ii) Non-compliance with an approved ISMS that results in a near miss of a Type A or B accident. A near miss is a situation in which an inappropriate action occurs, or a necessary action is omitted, but does not result in an adverse effect.
  - (iii) Failure to mitigate or notify DOE of an imminent danger situation after discovery, where such notification is a requirement of the contract.
- (3) Third Degree: Performance failures that reflect a lack of focus on improving ES&H. They include failures to comply with an approved ISMS that result in potential breakdown of the System. The following performance failures or performance failures of similar import will be considered third degree:
  - (i) Failure to implement effective corrective actions to address deficiencies/non-compliances documented through: external (e.g., Federal) oversight and/or reported per ~~DOE Order 232.1A~~ [DOE Manual 231.1-2, Occurrence Reporting and Processing of Operations Information] requirements; or internal oversight of ~~DOE Order 440.1A~~ [10 CFR 830, 10 CFR 835, 10 CFR 850, and 10 CFR 851] requirements. (*Deviation*)
  - (ii) Multiple similar non-compliances identified by external (e.g., Federal) oversight that in aggregate indicate a significant programmatic breakdown.
  - (iii) Non-compliances that either have, or may have, significant negative



impacts to the worker, the public, or the environment or that indicate a significant programmatic breakdown.

- (iv) Failure to notify DOE upon discovery of events or conditions where notification is required by the terms and conditions of the contract.
- (d) Safeguarding Restricted Data and Other Classified Information. Performance failures occur if the contractor does not comply with the terms and conditions of this contract relating to the safeguarding of Restricted Data and other classified information. The degrees of performance failure under which reductions of fee, profit, or share of cost savings will be determined are as follows:
- (1) First Degree: Performance failures that have been determined, in accordance with applicable law, DOE regulation, or directive, to have resulted in, or that can reasonably be expected to result in, exceptionally grave damage to the national security. The following are examples of performance failures or performance failures of similar import that will be considered first degree:
    - (i) Non-compliance with applicable laws, regulations, and DOE directives actually resulting in, or creating a risk of, loss, compromise, or unauthorized disclosure of Top Secret Restricted Data or other information classified as Top Secret, any classification level of information in a Special Access Program (SAP), information identified as sensitive compartmented information (SCI), or high risk nuclear weapons-related data.
    - (ii) Contractor actions that result in a breakdown of the safeguards and security management system that can reasonably be expected to result in the loss, compromise, or unauthorized disclosure of Top Secret Restricted Data, or other information classified as Top Secret, any classification level of information in a SAP, information identified as SCI, or high risk nuclear weapons-related data.
    - (iii) Failure to promptly report the loss, compromise, or unauthorized disclosure of Top Secret Restricted Data, or other information classified as Top Secret, any classification level of information in a SAP, information identified as SCI, or high risk nuclear weapons-related data.
    - (iv) Failure to timely implement corrective actions stemming from the loss, compromise, or unauthorized disclosure of Top Secret Restricted Data or other information classified as Top Secret, any classification level of information in a SAP, information identified as SCI, or high risk nuclear weapons-related data.

- (2) Second Degree: Performance failures that have been determined, in accordance with applicable law, DOE regulation, or directive, to have actually resulted in, or that can reasonably be expected to result in, serious damage to the national security. The following are examples of performance failures or performance failures of similar import that will be considered second degree:
- (i) Non-compliance with applicable laws, regulations, and DOE directives actually resulting in, or creating risk of, loss, compromise, or unauthorized disclosure of Secret Restricted Data or other information classified as Secret.
  - (ii) Contractor actions that result in a breakdown of the safeguards and security management system that can reasonably be expected to result in the loss, compromise, or unauthorized disclosure of Secret Restricted Data, or other information classified as Secret.
  - (iii) Failure to promptly report the loss, compromise, or unauthorized disclosure of Restricted Data or other classified information regardless of classification (except for information covered by paragraph (d)(1)(iii) of this clause).
  - (iv) Failure to timely implement corrective actions stemming from the loss, compromise, or unauthorized disclosure of Secret Restricted Data or other classified information classified as Secret.
- (3) Third Degree: Performance failures that have been determined, in accordance with applicable law, regulation, or DOE directive, to have actually resulted in, or that can reasonably be expected to result in, undue risk to the common defense and security. In addition, this category includes performance failures that result from a lack of contractor management and/or employee attention to the proper safeguarding of Restricted Data and other classified information. These performance failures may be indicators of future, more severe performance failures and/or conditions, and if identified and corrected early would prevent serious incidents. The following are examples of performance failures or performance failures of similar import that will be considered third degree:
- (i) Non-compliance with applicable laws, regulations, and DOE directives actually resulting in, or creating risk of, loss, compromise, or unauthorized disclosure of Restricted Data or other information classified as Confidential.
  - (ii) Failure to promptly report alleged or suspected violations of laws, regulations, or directives pertaining to the safeguarding of Restricted Data or other classified information.
  - (iii) Failure to identify or timely execute corrective actions to mitigate or eliminate identified vulnerabilities and reduce residual risk relating to the

protection of Restricted Data or other classified information in accordance with the contractor's Safeguards and Security Plan or other security plan, as applicable.

- (iv) Contractor actions that result in performance failures which unto themselves pose minor risk, but when viewed in the aggregate indicate degradation in the integrity of the contractor's safeguards and security management system relating to the protection of Restricted Data and other classified information.
- (e) Minimum requirements for specified level of performance.
- (1) At a minimum the contractor must perform the following:
    - (i) The requirements with specific incentives which do not require the achievement of cost efficiencies in order to be performed at the level of performance set forth in the Statement of Work, Work Authorization Directive, or similar document unless an otherwise minimum level of performance has been established in the specific incentive;
    - (ii) All of the performance requirements directly related to requirements specifically incentivized which do not require the achievement of cost efficiencies in order to be performed at a level of performance such that the overall performance of these related requirements is at an acceptable level; and
    - (iii) All other requirements at a level of performance such that the total performance of the contract is not jeopardized.
  - (2) The evaluation of the Contractor's achievement of the level of performance shall be unilaterally determined by the Government. To the extent that the Contractor fails to achieve the minimum performance levels specified in the Statement of Work, Work Authorization Directive, or similar document, during the performance evaluation period, the DOE Operations/Field Office Manager, or designee, may reduce any otherwise earned fee, fixed fee, profit, or shared net savings for the performance evaluation period. Such reduction shall not result in the total of earned fee, fixed fee, profit, or shared net savings being less than 25% of the total available fee amount. Such 25% shall include base fee, if any.
- (f) Minimum requirements for cost performance.
- (1) Requirements incentivized by other than cost incentives must be performed within their specified cost constraint and must not adversely impact the costs of performing unrelated activities.
  - (2) The performance of requirements with a specific cost incentive must not

adversely impact the costs of performing unrelated requirements.

- (3) The contractor's performance within the stipulated cost performance levels for the performance evaluation period shall be determined by the Government. To the extent the contractor fails to achieve the stipulated cost performance levels, the DOE Operations/Field Office Manager, or designee, may reduce in whole or in part any otherwise earned fee, fixed fee, profit, or shared net savings for the performance evaluation period. Such reduction shall not result in the total of earned fee, fixed fee, profit or shared net savings being less than 25% of the total available fee amount. Such 25% shall include base fee, if any.

### **B-10 CAPITAL CONSTRUCTION PROJECTS FEE PLAN (Mod 898)**

A Capital Construction Project Fee Plan will be developed, when applicable, with Contractor input, for each Sub-CLIN awarded under CLIN 0007. Although the detail and content incorporated into each Fee Plan may vary based on the cost and fee structure agreed upon for a given Sub-CLIN, each Sub-CLIN Fee Plan shall document the process by which the Contractor's performance will be evaluated; the amount of available fee and (when applicable) the allocation of fee to mutually agreeable project cost and/or schedule milestones; the conditions precedent to the submission of fee payment requests by the Contractor; the Government's fee determination process; and any provisions or conditions that would result in an adjustment to otherwise earned fee. The parties will work collaboratively to establish mutually acceptable Fee Plans and, in the event the Parties cannot come to agreement on the Fee Plan for any Sub-CLIN, DOE-SR, or NNSA reserves the unilateral right to make the final decision, including changes thereto, on all performance objectives, goals, and measures and the methodology used to evaluate Contractor performance. Sub-CLIN fee plans are not subject to the fee determination process or other terms and conditions of section H-28, Performance Based Incentives, Performance Evaluation Management Plan (PEMP) process.

**PART I - THE SCHEDULE**

**SECTION C**

**DESCRIPTION/SPECIFICATION/WORK STATEMENT**

**DESCRIPTION OF WORK AND SERVICES**

(See Modification A024 for Recovery Act Scope and other requirements)

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## PART I - THE SCHEDULE

### SECTION C

#### DESCRIPTION/SPECIFICATION/WORK STATEMENT DESCRIPTION OF WORK AND SERVICES

#### STATEMENT OF WORK

### C-1 GENERAL INFORMATION

#### C-1.1 Introduction

This Performance-Based Management Contract (PBMC) is for the management and operation of the Savannah River Site (SRS) and those activities as specified in this Statement of Work (SOW). The definition of a Management and Operating (M&O) contract can be found at FAR 17.6 and DEAR 917.6.

The SRS is a 310-square mile DOE industrial facility located in Aiken, Allendale, and Barnwell Counties in South Carolina. SRS is dedicated to environmental management cleanup, developing and deploying technologies to support the cleanup mission, providing capability for supporting the enduring nuclear weapons stockpile, and processing and storing nuclear materials in support of U.S. nuclear non-proliferation efforts. DOE's Office of Environmental Management (EM) is the landlord for the SRS and responsible for cleanup missions and the Savannah River National Laboratory (SRNL). The SRNL is a Federally Funded Research and Development Center (FFRDC) established in accordance with FAR Part 35 and operated ~~under this M&O contract by a separate M&O SRNL contractor (Mod 986)~~. The National Nuclear Security Administration (NNSA) is responsible for supporting the nuclear weapons stockpile programs and nonproliferation activities on the Site.

This contract reflects the application of performance-based contracting approaches and techniques which emphasize results and minimize "how to" performance descriptions. The Contractor has the responsibility for total performance under the contract, including determining the specific methods for accomplishing the work effort, performing quality control, and assuming accountability for accomplishing the work under the contract. Accordingly, this PBMC provides flexibility, within the terms and conditions of the contract, to the Contractor in managing and operating SRS activities.

#### C-1.2 Scope of Work - General

Under this PBMC, the Contractor shall furnish the necessary personnel, facilities, equipment, materials, supplies, and services (except those provided by the Government) to accomplish the Scope of Work. The Scope of Work under this PBMC is comprehensive in that the Contractor shall perform all necessary technical, operational and management functions to manage and

operate SRS and perform the missions assigned to the Site. This encompasses all on-going SRS missions and activities as described in Section C-3 as well as any new activities or missions that may be assigned during the term of the contract. This PBMC includes such areas as infrastructure management and maintenance; human resource management including critical skills recruitment and retention; environmental management and remediation; health, safety and security systems; and, purchasing and other administrative systems.

Under this PBMC, the Contractor shall develop and implement innovative approaches and adopt practices that foster continuous improvement in accomplishing the missions of the Site. DOE expects the Contractor to produce effective and efficient business and technical management structures, systems, and operations that maintain high levels of safety and quality in accomplishing the work required under this contract. The Contractor shall conduct all work in a manner that is fiscally responsible, optimizes productivity, minimizes waste, and fully complies with all applicable laws, regulations, and terms and conditions of the contract.

The Contractor shall challenge the status-quo and existing paradigms in formulating and implementing safe, high quality, timely, and cost-effective programs and operations at SRS. The Contractor shall use subcontracting (fixed-price is preferred when appropriate) and other innovative methods of accomplishing this Scope of Work consistent with the most efficient and effective means of performance. The Contractor shall tailor the application of contract requirements to the work being performed to be cost effective while safely accomplishing all work in a manner that minimizes risk and fully complies with all compliance agreements, pollution abatement programs, and permit requirements (as required by the clause in Section I entitled, DEAR 970.5204-2 “Laws, Regulations and DOE Directives”). The Contractor shall implement a comprehensive and integrated contractor assurance system in accordance with DOE Order 226.1, Implementation of Department of Energy Oversight Policy.

Safe performance of work is an integral part of mission accomplishment at SRS and shall be integrated as a core value into all activities. The Contractor shall systematically integrate safety, security, and environmental protection into management and work practices at all levels so that missions are accomplished while protecting the public, the worker, and the environment. This is to be accomplished through effective integration of safety management into all facets of work including planning and execution and a rigorous feedback and improvement process. The Contractor shall use integrated safety management functions to structure all work activities. These functions include: define the Scope of Work; analyze the hazards; develop and implement hazard controls; perform work within controls; and, provide feedback and continuous improvement. These functions are to be applied on a continuous cycle and tailored to the work activity. The Contractor shall implement recommendations from other organizations [such as the Defense Nuclear Facilities Safety Board (DNFSB), and state and federal regulatory agencies] which are accepted by DOE and directed by the Contracting Officer (CO). Compliance with Environment, Safety and Health (ES&H) requirements is a precondition of operations and the earning of fee.

The Contractor shall integrate and manage the safe and effective operation and maintenance of existing and new facilities under their cognizance at SRS to meet the general management goals and performance objectives of this Scope of Work. The Contractor shall use systems engineering techniques to integrate the resources and activities of SRS. The Contractor is responsible for

integrating and executing all work under this contract, including but not limited to, management of its personnel and subcontractors at all tiers. The Contractor shall perform in accordance with the terms and conditions herein provided and in accordance with such direction and instruction which the CO or his/her designated representatives of SR and/or NNSA-Savannah River Site Office (SRSO) may provide the Contractor, in writing, in accordance with the clause in Section I entitled, "Technical Direction." All work shall be conducted in accordance with the principles of DOE Order 413.3A, Program and Project Management for the Acquisition of Capital Assets. The Contractor shall use its expertise and best commercial practices and industry standards in all matters pertaining to the performance of this contract consistent with the provisions of the contract and any direction from the CO.

The Contractor shall maintain and enhance the core competencies that are necessary to support assigned and future missions of EM and NNSA programs at SRS. These core competencies include chemical and radiochemical processing, environmental science and technology, analytical chemistry, engineering specialty systems, materials science, sensor development, hydrogen and tritium science and technology, and computational science and modeling.

The Contractor shall conduct math, science, and education programs, to include the requirements of the Energy Policy Act of 2005, as well as support such other programs as directed by DOE. (Mod 986)

### C-1.3 General Performance Expectations

The general management goals and performance objectives for SRS, as contemplated by the Government Performance and Results Act, are outlined in the SRS EM Program Project Execution Plan (PEP), the SRS Ten-Year Site Plan (March 2006), the NNSA SRSO FY2007 Limited Ten Year Site Plan, and the SRNL Strategic Plan, as revised and updated from time to time. General performance expectations are also defined in this section and in the Work Authorization documents which are incorporated by reference into this contract in accordance with the clause in Section ~~H~~ **I** entitled "Work Authorization-System."

This SOW reflects DOE's overarching expectations for contractor performance. Specific performance work statements and measures, and performance expectations, will be established on an annual or multi-year basis, as appropriate. DOE-SR and NNSA Performance Evaluation and Measurement Plans (PEMP) will be established after contract award to define the performance expectations, incentives, measures, and evaluation processes.

The general performance expectations for the conduct of work under this contract include, but are not limited to:

(a) All work under this Contract shall be conducted in a manner that will assure the safety and health of employees and the public, be protective of the environment, safeguard classified information, and protect special nuclear materials.

(b) The Contractor shall:



- establish and maintain a culture of continuous improvement;
- plan strategically in an environment of changing budgets and technical and regulatory requirements;
- implement effective integrated safety, environmental, and security management processes;
- integrate cyber security into all management and work practices, and implement and comply with the applicable DOE Program Cyber Security Plan;
- ensure products and services meet or exceed customer expectations through an integrated and effective Quality Assurance Program;
- use an earned value management system for projects to track progress and increase cost effectiveness;
- maintain and manage to an accurate multi-year performance baseline;
- implement an interface management plan to ensure seamless provision of landlord services to other site tenants;
- establish a culture of scientific inquiry and technical inquisitiveness;
- conduct activities using a project management approach;
- maintain and enhance community, regulatory, and stakeholder relationships;
- maintain scientific and technical expertise and depth to manage activities through the life of a program while maintaining the ability to address emerging mission needs;
- use innovative technologies to reduce costs and improve performance;
- use competition to select subcontractors to provide quality supplies and services to achieve the best value to the government;
- increase cost effectiveness through the use of innovation, commercial practices and industry involvement;
- use benchmarking to compare performance at SRS against best-in-class government and industry organizations and implement improvements;
- implement effective work planning and control and feedback and improvement systems for all activities;
- maintain facilities and assets needed to accomplish assigned missions; and,
- use a disciplined system of management and internal business controls to assure safeguarding of government funds and assets.

#### **C-1.4 Exceptions to the Scope of Work (Amendment 003)**

The Scope of Work for this PBMC includes all work necessary for management, operation, maintenance, and support of DOE SRS, except as follows:

- (a) The Liquid Waste (LW) program, currently performed by the incumbent contractor, will be the subject of a separate contract, and includes:
- Operation of the Defense Waste Processing Facility (DWPF);
  - Operation of the Deliquification, Dissolution, and Adjustment (DDA) process;

- Operation of the Actinide Removal Process (ARP) and Modular Caustic Side Solvent Extraction Unit (MCU) until the Salt Waste Processing Facility (SWPF) is operational;
  - Operational closure of liquid radioactive waste storage tanks and evaporator;
  - Operation of the Saltstone Facility and SWPF (after construction and turnover); and
  - Management and surveillance of F and H Area Tank Farms, the Effluent Treatment Project, DWPF, DDA, ARP, MCU, and SWPF.
- (b) Natural resources and forest products management activities currently managed by the U.S. Forest Service (USFS) – Savannah River through an interagency agreement between DOE and the USFS-SR .
- (c) Cultural resources management activities currently managed by the Savannah River Archaeological Research Program through a cooperative agreement between DOE and the University of South Carolina.
- (d) Basic and applied ecological research, education activities, and outreach efforts currently managed by the Savannah River Ecology Laboratory through a cooperative agreement between DOE and the University of Georgia.
- (e) Site security currently managed under a DOE prime contract with Wackenhut Services Incorporated.
- (f) **Scope of Work being performed by SRNL including:**  
(1) all work being performed by the laboratory for operations and maintenance of facilities assigned to SRNL;  
(2) all work as a result of site interface agreements: direct funded analytical, R&D, and other tasks being performed for site EM and NNSA programs; work for other DOE sites (both contractors and DOE); work for other agencies; CRADA's; SPPs; and any other work being a part of the general and specific deliverables described in the M&O SRNL Contract. (Mod 986)

In accordance with the clause in Section H entitled “Withdrawal of Work,” the CO may withdraw work from the SOW during the course of this contract.

## C-2 WORK AUTHORIZATION

In addition to the general requirements of this SOW, work to be accomplished under this contract is defined in accordance with the clause in Section ~~H~~ **I** entitled “Work Authorization System.” The specific work to be executed under this contract may be supplemented by formal technical direction pursuant to the clause in Section I entitled, “Technical Direction” and the clause in Section H, entitled, “Performance/Technical Direction.”

### **C-3 SCOPE OF WORK - MISSION AREAS (Mod 917)**

**C-3.1 EM Closure Activities (See Mod A024) NOTE: ARRA Work Scope is redefined in Work Authorizations Revised in Mod. 055, 090, 091, 096, 098, 106, 118, 121, 145, 157, 200, 255 and 311 which are available from Contract Administration upon request.**

#### **(a) Soil and Water Remediation**

The Contractor shall plan and safely execute a program that meets all regulatory commitments reflected in the SRS Federal Facility Agreement, Resource Conservation and Recovery Act (RCRA) permit and closure plans, settlement agreements, administrative orders, consent decrees, notices of violation(s), Memoranda of Agreements or other notices of direction from DOE and/or regulatory agencies. This includes, but is not limited to, the identification, characterization, assessment, remediation and post-closure maintenance/monitoring of soil, surface water, groundwater waste units and Deactivation and Decommissioning (D&D) residuals. The Contractor shall implement remedial actions consistent with the Area Completion Strategy. The Contractor shall develop and implement alternative long range strategies, appropriate technologies, and approaches in the refinement of Area Completion and long-term stewardship to reduce out-year baseline costs.

#### **(b) Deactivation and Decommissioning**

The Contractor shall conduct D&D of facilities and their ancillary structures as directed by DOE. The Contractor shall also dispose of structures and facilities related to these facilities, such as sheds, canopies, air conditioning units and excess trailers.

The Contractor shall provide the overall management of the D&D program at SRS. D&D activities may include relocation of existing functions and personnel, characterization, risk analysis, evaluation of alternatives, stabilization, and final decommissioning. All D&D activities shall be conducted through an integrated approach with soil and water remediation requirements in accordance with the established regulatory interaction protocols. D&D activities, and the integrated approach within, must take into account historic properties and historic preservation requirements.

#### **(c) Solid Waste**

The Contractor shall manage the Solid Waste Program to safely and effectively prevent and/or minimize the generation of solid waste to include hazardous, low level, transuranic, mixed, and municipal sanitary wastes. The Contractor shall ensure that the handling, treatment, storage, transportation and disposal of existing “legacy” and future solid waste is environmentally sound and in compliance with DOE Directives, and applicable regulations and requirements.

The Contractor shall manage and integrate site-wide solid waste recycling, treatment, storage, disposal and transportation activities and implement waste minimization/pollution prevention

initiatives. The Contractor shall also provide on-site/off-site waste generators with technical support and verification of compliance with waste acceptance criteria, including Safety Basis and Performance Assessment objectives.

**(d) Nuclear Materials Management**

The Contractor shall safely and effectively manage nuclear materials and facilities in accordance with applicable DOE Directives and requirements. Management of nuclear materials at SRS includes three distinct but integral functions: storage, operations, and disposition.

(1) Storage: The Contractor shall conduct activities to place and maintain nuclear materials in a safe, secure, and stable form. These materials include spent nuclear fuel that may have originated from past operations or from U.S. and foreign research reactors. Storage shall be managed safely, securely, and efficiently to support site and DOE complex-wide consolidation and disposition missions.

(2) Operations: The Contractor shall operate and maintain the H Canyon Complex to support stabilization and disposition of nuclear materials and spent nuclear fuel, as required by DOE. For planning purposes, DOE has assumed that H Canyon operations will contribute approximately 300,000 gallons per year to the Tank Farm through the base contract period of both the M&O and LW contracts.

The Contractor shall maintain an effective program to facilitate safe and secure nuclear material shipments consistent with the current authorization agreement and subsequent revisions. The Contractor shall stabilize, de-inventory, and transition excess nuclear facilities and ancillary structures for D&D.

(3) Disposition: The Contractor shall plan for and disposition nuclear material and spent nuclear fuel in coordination with the NNSA Nuclear Nonproliferation Program and other applicable DOE programs. This includes the development of capability to disposition surplus plutonium and to prepare spent nuclear fuel for geologic disposal.

**C-3.2 Savannah River National Laboratory (SRNL)-RESERVED (Mod 986)**

~~SRNL's three fold mission is to enable the success of SRS operations; to provide technical leadership for future site missions; and to utilize its technical expertise to provide vital national and regional support in achieving the broader goals of DOE and the federal government in a safe manner. SRNL shall be operated as a defined work activity within the M&O contract structure so that it will be positioned to be responsive to future DOE requirements. The vision for SRNL is to be the nation's premier applied science laboratory in Environmental Management, National and Homeland Security, and Energy Security by delivering world class innovative performance in national defense and homeland security technologies, hydrogen technology and cleanup. To accomplish these missions and to attain this vision, the Contractor shall perform the following activities in a manner that is consistent with the SRNL Strategic Plan.~~

~~The Contractor shall increase the effectiveness of SRNL as EM's Corporate National Laboratory~~

~~across the EM complex and position SRNL for transition into a financially sustaining, distinct business unit. To attain this objective, the Contractor shall operate SRNL as a defined work activity within the overall contract structure. The defined work activity shall include budget, real estate, personnel resources necessary to conduct research and development, technology transfer, operations, and maintenance, and support necessary to be obtained from other activities within the contract or from other contractors. In addition, the Contractor shall seek to diversify its customer base and funding sources for SRNL to increase efficiencies for the benefit of all of its customers.~~

~~The Contractor shall implement a strategy to maintain and enhance SRNL as a pre-eminent center for research, development, and deployment of technologies to cleanup the environmental legacy of the Nation's nuclear programs. The Contractor shall develop SRNL to be a major center for technologies to advance the nuclear fuel cycle of the future, nuclear hydrogen initiative, and civilian hydrogen storage and related research initiatives. The Contractor shall maintain SRNL as a center for research, development, and application for tritium weapons components and key technologies for non-proliferation and international safeguards.~~

~~The Contractor shall maintain and enhance the core competencies that are necessary to support assigned and future missions of EM and NNSA programs at SRS. These core competencies include chemical and radiochemical processing, environmental science and technology, analytical chemistry, engineering specialty systems, materials science, sensor development, hydrogen and tritium science and technology, and computational science and modeling. The Contractor shall conduct a Laboratory Directed Research and Development Program in accordance with DOE policy. The Contractor shall establish SRNL as a preferred partner for industry, universities, and small businesses in developing leading edge technologies in support of industrial, economic, and educational strength of the United States. The Contractor shall develop, maintain, and fully utilize appropriate world-class research and development consistent with providing for the long term independent sustainability of SRNL. Furthermore, the Contractor shall continually seek ways to leverage program funding through partnerships and sharing costs with industry in areas of mutual benefit.~~

~~The Contractor shall conduct math, science, and education programs, to include the requirements of the Energy Policy Act of 2005, as well as support such other programs as directed by DOE.~~

~~The Contractor shall, in accordance with Work Authorization No. IN00802, establish and maintain a Counterintelligence (CI) Program at Savannah River Site (see Mod 262 for specific scope of work).~~

Section 3.2 deleted effective June 21, 2021. The intent of both parties is to remove requirements and oversight for safety, quality, regulatory compliance, and operations for SRNL scope. (Mod 986)

### **C-3.3 NNSA Activities (Amendment 003)**

#### **(a) Tritium Operations (Defense Programs)**

The Contractor shall manage Tritium Operations as a defined, severable work activity within the M&O contract structure so that it will be positioned to be responsive to any future direction within the NNSA Nuclear Weapons Complex.

The Contractor shall conduct the operations of the Tritium Facilities to:

- Support the nuclear weapons stockpile by safely providing tritium and non-tritium loaded reservoirs to the Department of Defense in accordance with NNSA guidance and direction;
- Extract tritium from irradiated Tritium-Producing Burnable Absorber Rods;
- Support the Stockpile Stewardship Program through reservoir surveillance operations;
- Conduct a Plant Directed Research and Development Program to retain and recruit individuals with critical skills, maintain core competencies required for current and future technical missions, increase industrial and university partnerships to enhance technical capabilities;
- Maintain the Tritium Facilities in a safe, secure and responsive operating condition; and
- Operate the NNSA Tritium operations and activities as a defined, severable cost center within the M&O contract structure, to include budget, real estate, personnel resources necessary to conduct operations and required maintenance, and support to be obtained from other activities within the M&O contract or from other contractors.

#### (1) Directed Stockpile Work (DSW)

The Contractor shall conduct DSW activities, such as processing tritium and inert reservoirs and associated components, in support of the Reliable Replacement Warhead (RRW) activities and Life Extension Programs (LEPs) including pre-production, production, and evaluation associated with the refurbishment of the B61, W76, and W80. The Contractor shall provide Stockpile Services, and Production Support, including LEPs Stockpile Systems categories of Limited Life Component Exchange (LLCE), Reservoir Surveillance, Stockpile Laboratory Tests (SLTs), and Life Storage Program (LSP) activities. The Contractor shall process reservoirs and associated parts as necessary to support LLCE schedules per production directive requirements for the enduring stockpile. For Retired Systems, the Contractor shall unload, weld close for disposal, or manage per SLT requirements, reservoirs returned from retired weapons.

#### (2) Engineering Campaign

The goal of the Engineering Campaign is to provide validated engineering sciences and engineering modeling and simulation tools for design, qualification, and certification; improved surety technologies; radiation hardening design and modeling capabilities; microsystems and microtechnologies; component and material lifetime assessments; and predictive aging models and surveillance diagnostics. The subprograms of the Engineering Campaign are Enhanced Surety, Weapons Systems Engineering Assessment Technology, Nuclear Survivability, and Enhanced Surveillance. In support of the Enhanced Surveillance subprogram, the Contractor shall develop methods for surveillance of tritium reservoirs and other gas transfer system components.

(3) Readiness Campaign

(i) In support of the Tritium Readiness subprogram, the Contractor shall operate the Tritium Extraction Facility (TEF) as an integrated part of the Tritium Facilities. The TEF provides the capability to receive and extract tritium-containing gases from tritium producing burnable absorber rods to provide sufficient tritium to support stockpile requirements.

(ii) In support of the Advanced Design and Production Technologies (ADAPT) subprogram, the Contractor shall conduct site-specific ADAPT projects, such as:

- The Reservoir Development project;
- The Tritium Processing project;
- The Metal Alloy project;
- The Automated Reservoir Management System (ARMS) Replacement project; and
- Support the ADAPT Technology Investment projects, Thrust Areas project and the Program Management Control project across the NWC.

(4) Readiness in Technical Base and Facilities (RTBF)

The Contractor shall conduct RTBF work to maintain the tritium facilities and infrastructure in a state of readiness in support of DSW missions, including LEPs, Stockpile Services, and Production Support. The Contractor shall conduct preventive, predictive, and corrective maintenance of process and infrastructure equipment/facilities. ES&H activities shall be conducted to ensure the well being of tritium and other site workers, the public, and the environment. The Contractor shall conduct Material Recycle and Recovery, which involves recovery and purification of tritium, deuterium, and helium-3 gases from reservoir recycle gas, hydride storage vessel, and facility effluent-cleanup systems. The Contractor shall perform physical maintenance of various shipping containers, and conduct operational and technical activities related to Pressure Vessels.

**(b) Nuclear Nonproliferation Programs**

The Contractor shall provide services in support of the Nuclear Nonproliferation Programs at SRS. The Contractor shall support both new facilities development activities and program mission support activities as specified below.

(1) Pit Disassembly and Conversion Facility (PDCF): The PDCF will be used to disassemble classified nuclear weapons components and convert nuclear material to feedstock for the Mixed Oxide (MOX) Fuel Fabrication Facility. The Contractor scope includes Title II and Title III Engineering Support, Design Authority, Design Responsibility for some facility components, Construction Management and/or Construction Management Support, Startup Testing, and Facility Operation; however, PDCF Startup Testing and Facility Operation are expected to occur after the contract period.

(2) Mixed Oxide Fuel Fabrication Facility (MFFF): The MFFF will be used to manufacture MOX fuel assemblies for use in commercial nuclear power reactors. For the MFFF and MOX program, the Contractor shall provide Title II and Title III Engineering Support with some regulatory and site interface support work. ~~However, on November 15, 2018 DOE Terminated Contract No. DE-AC02-99CH10888 and will no longer pursue the MFFF approach.~~

~~From October 10, 2018 through March 31, 2019, the M&O contractor is to take the necessary actions to assume responsibility of the MOX Complex Area as a result of the termination of Contract No. DE-AC02-99CH10888. This includes compliance reviews, property inventory and inspections, and subsuming required subcontracts. As of April 1, 2019, the M&O contractor will continue minimum necessary operations and maintenance activities for MFFF Government property including the management and disposition of temporary facilities, inventories of equipment, materials, documents, and records; and initiate project closure activities in accordance with DOE O 413.3B. (Mod 908)~~

(3) Waste Solidification Building (WSB): The Waste Solidification Building sub-project will provide a disposition path for MFFF and PDCF liquid radioactive waste streams, e.g., MFFF High Alpha waste stream, MFFF Stripped Uranium waste stream, and PDCF Laboratory liquid waste stream. The Contractor shall provide Title II and Title III Engineering (rather than engineering support), Construction Management, Startup Testing, and Facility Operation

(4) Highly Enriched Uranium (HEU) Blend Down Project: The United States declared over 174 metric tons (MT) of HEU surplus to defense needs. The Uranium Program includes disposition of the Off-Specification HEU material from SRS to the Tennessee Valley Authority (TVA). These materials include solutions processed from both irradiated and unirradiated fuel as well as HEU ingots. The Contractor shall blend, load and ship the Low Enriched Uranium material. The Contractor shall prepare ingots for shipment directly to the TVA fuel manufacturer.

(5) The Contractor shall also provide scientific, technical, program, and project expertise to support the following programs:

~~(i) International (Nonproliferation) Programs: The overall mission of Defense Nuclear Nonproliferation international programs is to detect, prevent, and reverse the proliferation of weapons of mass destruction while promoting nuclear safety worldwide. The Contractor shall support NNSA and its other contractors in executing these programs by providing the necessary scientific, engineering and programmatic experts, e.g. nuclear material protection, control, and accountability; nuclear safeguards; emergent threats; export controls; and nuclear verification activities. (Mod 986)~~

(ii) Foreign Research Reactor (FRR) Fuel Program: The Contractor shall assist foreign entities with arranging shipments and supporting shipping activities, be responsible for receipt and storage of spent nuclear fuel at SRS, and perform offsite radiological support activities.

(c) **Radiological Assistance Program (RAP)**



The Contractor shall support NNSA in executing the RAP within DOE Region 3, which encompasses the states of Alabama, Florida, Georgia, North Carolina, and South Carolina. The mission of RAP is to provide a deployable, tailored capability to assist other Federal, State, Tribal and local agencies, as well as private businesses and individuals, in responding to offsite incidents involving nuclear/radiological materials. RAP responds to a variety of incidents, including those involving fixed facilities, transportation events, lost or stolen sources, nuclear weapons, and terrorist use or threatened use of nuclear/radioactive materials. The Contractor shall maintain the plans, procedures, trained personnel, and calibrated equipment necessary to accomplish the RAP mission. In addition, the Contractor shall support RAP by providing teams, with rotating on-call duties, such that one team is continuously ready for deployment.

**(d) Proposed Savannah River Plutonium Processing Facility (SRPPF)**

The SRPPF project will include design, procurement, construction and startup of plutonium pit processing, process support equipment, and balance of plant systems necessary for the SRPPF to produce War Reserve plutonium pits. The project will also include demolition and removal of the process equipment and utility commodities intended for fuel fabrication previously installed in the existing Mixed Oxide Fuel Fabrication Facility (MFFF) concrete structure, 226-F. The transition of building 226-F and supporting project infrastructure/equipment will include the turnover of all necessary design and quality documentation, along with stewardship of the transitioned property. The cornerstone of the SRPPF project is the repurposing of the partially completed robust concrete structure, building 226-F, using existing former MFFF support facilities to the maximum extent and building additional facilities as required.

From October 2018 to July 2019, the SRPPF project was initiated. A project team was formed and staffed, an estimate and schedule for delivery of CD-1 was submitted, conceptual design for process equipment and balance of plant systems was begun, critical project management documents required by DOE Order 413.3B, such as the safety basis strategy and functional operating requirements were started, and an implementation plan for the NNSA Program Requirements Document (PRD) was developed. This level of activity supported the accelerated project completion date required by NNSA of 2025 and full production of pits by 2030. (Mod 908)

**C-3.4 Landlord Services and Site Support (Amendment 003)**

The Contractor shall execute assigned landlord responsibilities and provide a range of services to other organizations doing work on the SRS. This section includes ES&H; Engineering and Construction; Operations Support; and Business Services.

**(a) ES&H**

**(1) Sitewide ES&H Program**

The Contractor shall conduct a comprehensive ES&H program that provides for the protection of workers, the public, and the environment. The Contractor shall include provisions for the protection of human health and safety and the environment in all

activities for which it has contractual responsibilities. The Contractor shall implement and continuously improve the existing ES&H program and shall conduct its activities in full compliance with ES&H requirements per the contract clauses in Section H entitled “Environment, Safety and Health” and Section I entitled “Laws, Regulations, and DOE Directives” and “Integration of Environment, Safety and Health into Work Planning and Execution.” The Contractor shall include, as a minimum, the following disciplines as part of its ES&H program:

- Nuclear safety (including criticality safety);
- Occupational, industrial, and construction safety;
- Industrial hygiene;
- Quality Assurance;
- Radiation protection;
- Hazardous material management;
- Environmental Management System;
- Environmental permitting and compliance (including NEPA);
- Environmental monitoring;
- Pollution prevention and waste minimization;
- Technical training and qualification;
- Conduct of operations and occurrence reporting; and
- Radiological assistance and/or support for emergency response.

As part of its overall performance assurance program, the Contractor shall implement a sitewide ES&H program, including the assumption, management, improvement, and integration of an Integrated Safety Management System (ISMS), that not only covers the Contractor's organizations but also other organizations performing work for the Contractor via subcontracts and other agreements at SRS. The Contractor shall manage the overall site ES&H program which shall be followed by all site contractors, subcontractors, vendors, and suppliers, as required by their individual contracts or agreements; however, the Contractor shall only be responsible for compliance of its operations and those of its subcontractors and not responsible for the performance or compliance of other contracts over which it possesses no direct contractual relationship. In managing the Site ES&H program, the Contractor shall work with and coordinate with other Site organizations and contractors to ensure consistent programs are implemented at SRS to realize efficiencies and cost savings for the overall Site. The Contractor shall provide appropriate support, as needed, in emergency situations. The Contractor shall also provide ES&H support to others when directed by DOE; this may include activities such as onsite and offsite environmental analysis and assisting in the preparation of required regulatory information.

The Contractor shall implement and maintain a set of requirements to ensure the protection of human health and safety and the environment. In the event the Contractor becomes out of compliance, appropriate action to protect human health and safety and the environment shall be taken until compliance is reestablished. When activities are not in compliance with appropriate requirements, the Contractor shall accept notices of violations or fines in accordance with the provisions of the contract clause in Section H entitled “Contractor Acceptance of Notices of Violations/Fines and Penalties.” Although the Contractor shall

not be responsible for ES&H compliance of other site contractors with which it does not possess a direct contractual relationship, the Contractor shall report to DOE any known or suspected performance of other site contractors which is not in compliance with the site ES&H program requirements.

The Contractor shall work effectively with other site contractors, subcontractors, and external organizations (e.g., the DNFSB, South Carolina Department of Health and Environmental Control, Environmental Protection Agency) to maintain and improve ES&H performance at SRS. The Contractor shall ensure ES&H excellence in their subcontractor performance and flow-down of all applicable requirements to their subcontractors. The Contractor shall consider ES&H performance as an evaluation factor in the selection of subcontractors performing work in Government owned or leased facilities.

The Contractor shall periodically evaluate the site ES&H program for effectiveness by using management and independent assessments, monitor ES&H performance continuously by the use of ES&H performance indicators, and effect continued ES&H improvement in a cost-effective manner. The Contractor shall use these tools and others identified in its contractor assurance system in the implementation of DOE Order 226.1, Implementation of Department of Energy Oversight Policy.

(2) Development and Maintenance of Nuclear Safety Documentation

As part of the overall Site ES&H program, the Contractor shall be responsible for implementing a program that will ensure that nuclear safety requirements are implemented consistently across SRS and for periodically evaluating the program's effectiveness. The Contractor shall comply with 10 CFR 830 which includes the safety basis and quality assurance requirements for contractors and operators of Hazard Category 1, 2, and 3 DOE nuclear facilities to develop and maintain a safety basis and to perform work in accordance with the safety basis. The major components of the safety basis for a nuclear facility include the Documented Safety Analysis, the Technical Safety Requirements, and an Unreviewed Safety Question process.

The Contractor shall ensure that facilities that contain many different types of hazards are addressed in a systematic and integrated way. A hazardous facility's safety basis is its specific safety strategy. The Contractor shall operate facilities in accordance with the DOE approved safety basis.

(b) **Engineering and Construction**

The Contractor shall perform engineering, design, and construction management as needed for its activities within this Scope of Work and for other SRS activities as directed by the CO. The Contractor shall use appropriate contracting mechanisms for design and construction services, with a preference for fixed-price, performance-based contracting to the maximum extent practicable. DOE reserves the right to assign design and construction management responsibility for individual projects to organizations other than the Contractor.

The Contractor shall perform the following for its activities and for other activities as directed by the CO.

(1) Engineering, Design and Technical Services. The Contractor shall provide or procure centralized engineering services to implement programs for:

- Planning and integrating all activities related to engineering, design, procurement, and construction services;
- Architect-engineering services in accordance with South Carolina Code of Laws Title 40 as required to support design activities;
- Engineering automation to include assumption of maintenance of, and improvements to, the existing SRS computer based engineering, design, and construction support systems, which include CAD (Intergraph Microstation) and 3-D modeling capability (Intergraph PDS);
- Systems engineering;
- Configuration management;
- Suspect parts;
- All Site geotechnical activities including associated analysis and engineering;
- Nuclear Safety engineering to include criticality engineering;
- Pressure protection to include the capability to satisfy the ASME “R” and “U” stamp requirements;
- Natural phenomena hazards mitigation engineering;
- Engineering document control;
- Process and Control engineering;
- Geographic Information Services;
- A systematic project management system which provides cost estimating, scheduling, and change control systems for establishment and maintenance of an appropriate technical baseline;
- Non-destruction testing and examination services;
- Fire protection system design and engineering;
- Welding training and certification program for on-site activities which may include unique and exotic materials and processes; and
- Quality assurance and control services to support various site activities that are based on but not limited to International Building Code, ISO 9000, Six Sigma, and ASME NQA-1.

(2) Construction Management Services. The Contractor shall provide or procure:

- Construction services as required to meet contract requirements;
- Capabilities for maintenance and repair of facilities, heavy equipment, and infrastructure;
- Services to assume, revise, implement, and maintain an effective construction safety program;
- Construction services that satisfy the South Carolina Code of Laws Title 40 requirements for construction contractors and managers;
- Construction and fabrication services for existing and new equipment, and existing contaminated equipment; and

- Maintenance services for large portable equipment customarily used in providing construction and transportation services.

(3) Integration Services. The Contractor shall implement, maintain, and/or enhance the following for its activities and for other activities as directed by the CO:

- A Conduct of Engineering and Construction program;
- Engineering and construction, and site standards;
- Designs that properly reflect all customer/engineering/ construction interfaces and requirements;
- A centralized and standardized specification system similar to industry;
- A centralized final technical document review system that applies to all site final design and/or final technical documents prior to release for solicitation;
- Other construction related services, such as schedule coordination to avoid conflict with other projects; construction site orientation; safety program monitoring; utility service coordination; security badging; determination of progress payments for work accomplished; change management; and management of construction goods and services; and
- Cost, technical, and schedule performance measures in subcontracts.

(c) **Operations Support**

The Contractor shall assist DOE through direct participation and other support in achieving DOE's energy efficiency goals and objectives in electricity, water, and thermal consumption, conservation, and savings, including goals and objectives contained in Executive Order 13423, "Strengthening Federal Environmental, Energy, and Transportation Management." The Contractor will maintain and update, as appropriate, its Site Plan (as required elsewhere in the contract) to include detailed plans and milestones for achieving site-specific energy efficiency goals and objectives. The above work scope will be prioritized annually within the DOE-CFO approved funding levels. With respect to this paragraph, the Plan shall consider all potential sources of funds, in the following order: 1) the maximum use of private sector, third-party financing applied on a life-cycle cost effective basis, particularly from Energy Savings Performance Contracts and Utility Energy Services Contracts awarded by DOE; and 2) only after third-party financing options are evaluated, in the event that energy efficiency and water conservation improvements cannot be effectively incorporated into a private sector financing arrangement that is in the best interests of the Government, then DOE funding and funding from overhead accounts can be utilized. (Modification 028)

The Contractor shall implement site-wide programs and coordinate their implementation with all site organizations. The Contractor shall provide technical support for all its activities and operations. The Contractor shall also provide technical support for other organizations as directed by the CO or as requested by other organizations and approved by the CO. Except as otherwise directed by the CO, services to other contractors generally do not extend to within their facilities or areas under the control of other tenant

organizations. These services include, but are not limited to:

- Infrastructure maintenance (e.g., roads, bridges, dams, parking lots, and grounds) except as controlled by other tenant organizations;
- Maintenance and repair of facilities and equipment;
- Operation of utility systems including water, sewage, electrical and steam distribution;
- Transportation and traffic management;
- Receiving, inspection, and distribution;
- Nuclear materials safeguards and accountability;
- Emergency operations;
- Emergency preparedness and response (including coordination with outside agencies)
- Site training;
- Technical and analytical laboratory operations;
- Site Safeguards and Security (excludes physical security and law enforcement services);

(Note: DOE letter SITD-14-016 deleted from this contract work scope related to requirements for Technical Security Countermeasures associated with DOE Order 471.6, Change 1, *Information Security*.)

- Personnel security and badging;
- Facility and site use planning; and
- Historic Preservation.
- **Transportation and Mechanical Services which include emergency specialty equipment services, transportation services on site and off site (non-nuclear), fuel management (all types), fire protection engineering, and fire test and maintenance (outside the nuclear fence). (Modification A023)**

**(d) Business Services**

(1) The Contractor shall provide general planning, management and administrative services for all its activities and for other organizations as directed by the CO. Business services include, but are not limited to:

- Strategic planning, program planning, and long and short range planning;
- Procurement;
- Accounting, budgeting and financial management;
- Personnel administration;
- Labor relations;
- Employee concerns;
- Information resources management, development, and operation;

(Note: DOE letter SITD-14-016 deleted from this contract work scope related to requirements for Technical Security Countermeasures associated with DOE Order 471.6, Change 1, *Information Security*.)

- Real and personal property management;
- Legal;

- Internal Oversight (internal audit and contracts audit);
- Public Affairs; and
- Other administrative services.
- Health and Human Services which include medical services, injury/illness record-keeping and monitoring, and health physics instruments calibration and distribution. (Modification A014)
- Information Management Services, which include information strategic planning, Information Systems development, systems engineering infrastructure upgrades and improvements, system integration and configuration management, desktop/WAN production (operations, Help Desk, maintenance), cyber security program management, communications infrastructure including maintenance of radios, pagers, radio towers, conferencing (video and telephone) and cellular communications. (Modification A014)

(2) The Contractor shall provide project costs in a manner that enables input into the DOE Environmental Cost Analysis System (ECAS) database.

### **C-3.5 Other Capital Construction Project Support to DOE-SR, or NNSA (Mod 898)**

The Contractor shall, upon request of DOE, provide additional services and/or support to DOE-SR or NNSA including execution of Capital Construction Projects under DOE O 413.3B and the execution of other construction projects or other activities in service to DOE-SR, or NNSA. Such projects or activities will be performed under Sub-CLINs in CLIN 0007 as described in Section B-1.2 and Section H-71

## **C-4 INTERFACES WITH OTHER SITE USERS**

Within 60 days after the start of transition, the Contractor shall develop, for CO approval, an SRS Interface Management Plan (IMP) to identify and manage all site interfaces and to provide site landlord services to DOE, NNSA, DOE/NNSA contractors, and tenant entities engaged in onsite activities. The Contractor SRS-IMP will become part of the contract as Section J, Appendix N. The Plan will also incorporate contractors and subcontractors to these entities, as directed by the CO. The Contractor shall be responsible for developing and implementing a plan for interfacing and integrating activities with other site contractors and tenant entities consistent with DOE technical direction. These services shall be provided in accordance with existing or newly developed memoranda of understanding or other appropriate agreements. Services may be provided by the Contractor on a cost recoverable basis as approved by the CO.

## **C-5 WORK FOR OTHERS/TECHNOLOGY TRANSFER**

The Contractor shall conduct the Work for Others program consistent with this contract and applicable DOE Directives. All Work for Others activities shall be approved in advance, in writing, by the CO.

The Contractor shall perform Technology Transfer activities in accordance with the clause in Section I entitled DEAR 970.5227-3 "Technology Transfer Mission." The Contractor shall identify technology transfer opportunities to share with industry. The Contractor shall routinely,

as a matter of conducting business, identify and evaluate technologies that are potential candidates for commercial exploitation. Upon CO approval, the Contractor shall establish industry partnerships that will allow the appropriate sharing of technologies using all means allowable under the Stevenson-Wydler Technology Innovation Act of 1980.

**C-6 RESPONSIBILITIES FOR SPONSORSHIP, MANAGEMENT AND  
ADMINISTRATION OF CONTRACTOR EMPLOYEE PENSION AND OTHER  
BENEFITS PLAN**

The Contractor shall be the main sponsor of the multiple employer pension plan, herein referred to as the Plan, for Incumbent Employees (and retired plan participants) with responsibility for management, administration, funding, coordinating contributions from other plan sponsors and maintaining the qualified status of the plan. The Contractor shall also sponsor and be responsible for management and administration of welfare benefit plans for Incumbent Employees. In addition, the Contractor shall sponsor and be responsible for management and administration of the pension and medical benefit plans for Non-Incumbent Employees. The requirements associated with these responsibilities are set forth in section H.14, Employee Compensation: Pay and Benefits.

Although the Contractor will be the main sponsor of the Plan, it will only be responsible for funding pension contributions for Incumbent Employees working under this Contract. The contractor for the Liquid Waste contract, **the Savannah River National Laboratory Management and Operations Contract (Mod 986)**, and other DOE prime contractors will also be participating sponsors of the Plan. These contractors will be responsible for pension contributions for employees employed under their respective contracts.



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**PART I - THE SCHEDULE**

**SECTION D**

**PACKAGING AND MARKING**

**D-1 PACKAGING**

Preservation, packaging, and packing for shipment or mailing of all work delivered hereunder, shall be in accordance with good commercial practice and adequate to insure acceptance by common carrier and safe transportation at the most economical rates.

**D-2 MARKING**

Each package, report, or other deliverable shall be accompanied by a letter or other document which:

Identifies the contract number under which the item is being delivered; and

Identifies the contract requirement or other instruction which requires the delivered item(s).

**PART I - THE SCHEDULE**

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**INSPECTION AND ACCEPTANCE**

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**PART I - THE SCHEDULE**

**SECTION E**

**INSPECTION AND ACCEPTANCE**

**E-1 INSPECTION OF SERVICES – COST-REIMBURSEMENT (FAR 52.246-5)  
(APR 1984)**

- (a) Definition. "Services," as used in this clause, includes services performed, workmanship, and material furnished or used in performing services.
- (b) The Contractor shall provide and maintain an inspection system acceptable to the Government covering the services under this Contract. Complete records of all inspection work performed by the Contractor shall be maintained and made available to the Government during Contract performance and for as long afterwards as the Contract requires.
- (c) The Government has the right to inspect and test all services called for by the contract, to the extent practicable at all places and times during the term of the Contract. The Government shall perform inspections and tests in a manner that will not unduly delay the work.
- (d) If any of the services performed do not conform with Contract requirements, the Government may require the Contractor to perform the services again in conformity with Contract requirements, for no additional fee. When the defects in services cannot be corrected by re-performance, the Government may (1) require the Contractor to take necessary action to ensure that future performance conforms to Contract requirements; and (2) reduce any fee payable under the Contract to reflect the reduced value of the services performed.
- (e) If the Contractor fails to promptly perform the services again or take the action necessary to ensure future performance in conformity with Contract requirements, the Government may (1) by Contract or otherwise, perform the services and reduce any fee payable by an amount that is equitable under the circumstances; or (2) terminate the Contract for default.

**E-2 ACCEPTANCE**

Acceptance for all work and effort under this Contract shall be accomplished by the CO or any other duly authorized representative.

**E-3 CERTIFICATION**

**In order for the Contracting Officer to accept any products or services funded by the Recovery Act, the Contractor shall certify that the items were delivered and/or work was performed for a purpose authorized under the Recovery Act. (Modification A024)**

**PART I - THE SCHEDULE**

**SECTION F**

**DELIVERIES OR PERFORMANCE**

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## **PART I - THE SCHEDULE**

### **SECTION F**

#### **DELIVERIES OR PERFORMANCE**

##### **F-1 TERM OF CONTRACT**

This Contract shall be effective as specified in Block No. 28-Award Date, of Standard Form 33 and shall continue up to and including **September 30, 2022 (Mod 994)**, unless sooner terminated according to its terms. The Contract may be extended in annual increments, or portions thereof, for up to an additional period of five years of performance in accordance with the clause in Section F entitled "Option to Extend the Term of the Contract".

The period for the transition from the incumbent Contractor to the Contractor shall begin on the date of award and extend for a period of approximately 90 days until such time that transition activities are complete and the Contracting Officer (CO) notifies the Contractor of the date the Contractor shall assume responsibility for the complete statement of work. The transition term shall be for the transition activities identified in Section J, Appendix A, Transition Plan.

**NOTE: Mod. A024, 090, 255, 348, 359, 627, 791, 857, 915, 994.**

**The contractor shall complete all work funded by this modification as follows:  
P&R: 6/30/13, D&M: 9/30/11, Other Sitewide Areas: 9/30/11, and TRU Waste: 07/31/13.**

##### **F-2 PRINCIPAL PLACE OF PERFORMANCE**

The work under this Contract is to be carried out at a variety of locations, with the principal location of performance being the Savannah River Site near Aiken, South Carolina.

##### **F-3 STOP-WORK ORDER (FAR 52.242-15) (AUG 1989) (ALTERNATE I) (APR 1984)**

- (a) The CO may, at any time, by written order to the Contractor, require the Contractor to stop all, or any part of the work called for by this Contract for a period of 90 days after the order is delivered to the Contractor, and for any further period to which the parties may agree. The order shall be specifically identified as a stop-work order issued under this clause. Upon receipt of the order, the Contractor shall immediately comply with its terms and take all reasonable steps to minimize the incurrence of costs allocable to the work covered by the order during the period of work stoppage. Within a period for 90 days after a stop-work order is delivered to the Contractor, or within any extension of that period to which the parties shall have agreed, the CO shall either: **(See CMD-14-002, CMD-20-122, CMD-20-122(Rev 1), CMD-20-183 for EM Partial Stop Work direction, NA-APM-20-0026 for NNSA Partial Stop Work for MOX direction, Mod 916 for Partial Stop work order for non-potable work due to COVID-19,)**

- Cancel the stop-work order; or

(See CMD-14-008 for lifting of EM Partial Stop Work direction and NA-APM-20-0027 for lifting of Partial Stop Work for MOX direction, CMD-20-210 initially rescinded Partial Stop work for COVID but was clarified to actually be an extension of the COVID stop work via CMD-20-234)

- Terminate the work covered by the order as provided in the Termination Clause of the Contract.

(b) If a stop-work order issued under this clause is canceled or the period of the order or any extension thereof expires, the Contractor shall resume work. The CO shall make an equitable adjustment in the delivery schedule, the estimated cost, the fee, or a combination thereof and in any other terms of the Contract that may be affected, and the Contract shall be modified, in writing, accordingly, if:

(1) The stop-work order results in an increase in the time required for, or in the Contractor's cost properly allocable to, the performance of any part of this contract; and

(2) The Contractor asserts its right to the adjustment within 30 days after the end of the period of work stoppage; provided, that if the CO decides the facts justify the action, the CO may receive and act upon a proposal submitted at any time before final payment under this Contract.

(c) If a stop-work order is not canceled and the work covered by the order is terminated for the convenience of the Government, the CO shall allow reasonable costs resulting from the stop-work order in arriving at the termination settlement.

(d) If a stop-work order is not canceled and the work covered by the order is terminated for default, the CO shall allow, by equitable adjustment or otherwise, reasonable costs resulting from the stop-work order.

#### **F-4 OPTION TO EXTEND THE TERM OF THE CONTRACT (Amendment 002)**

(a) Consistent with FAR 52.217-9, "Option to Extend the Term of the Contract," the Government may extend the term of this Contract by written notice to the Contractor not less than 30 days prior to the end of the period of performance, provided that the Government gives the Contractor a preliminary written notice of its intent to extend at least 12 months before the contract expires. The preliminary notice does not commit the Government to an extension. (See CMD-12-118, CMD-15-155, and CMD-21-142 providing preliminary notices of intent to extend.)

(b) The total duration of this Contract shall not exceed ten years, not including the transition period.

#### **F-5 EXERCISE OF OPTION(S)**

The DOE has included an option to extend the term of this Contract in order to demonstrate the value it places on quality performance. The DOE has provided a mechanism for continuing a contractual relationship with a successful Contractor that performs at a level which meets or exceeds quality performance expectations as communicated to the Contractor, in writing, by the CO or designated representative. When deciding whether to exercise the option, the CO will

consider the quality of the Contractor's performance under this Contract.

The Option Periods, from 08/01/13 through 07/31/18, may be for a period(s) of one year up to five years. The CO will determine the duration of the option period(s) at the time of written notification to the Contractor. The total term shall not extend beyond 07/31/18.

Pursuant to this modification (791), the period of performance of the contract has been extended to July 31, 2019.

Pursuant to this modification (857), the period of performance of the contract has been extended to September 30, 2020.

- (i) Option 1 period of performance of the contract is October 1, 2020 – September 30, 2021
- (ii) Option 2 period of performance of the contract is October 1, 2021 – September 30, 2022

Pursuant to this modification (917), the period of performance of the contract has been extended to September 30, 2021.

Pursuant to this modification (994) the period of performance of the contract has been extended to September 30, 2022.

[Note: The Option Periods from 08/01/13-09/30/13, 10/01/13-09/30/14, 10/01/14-09/30/15, and 10/01/15-09/30/16 were exercised via Mod 286 (which extended the performance period to 09/30/16), and subsequently the Option Periods from 10/01/16-09/30/17 and 10/01/17-07/31/18 were exercised via Mod 627 thereby extending the contract performance period to July 31, 2018. Mod 791 extended the contract through 7/31/19 Mod 857 extended the contract through 9/30/2020 with two one-year options. Mod 917 exercised the first option period extending contract through 9/30/2021. Mod 994 exercised the second option period extending contract through 9/30/2022]



**PART I - THE SCHEDULE**

**SECTION G**

**CONTRACT ADMINISTRATION DATA**

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**PART I - THE SCHEDULE**

**SECTION G**

**CONTRACT ADMINISTRATION DATA**

**G-1 TECHNICAL AND ADMINISTRATIVE CORRESPONDENCE**

To promote timely and effective administration under this Contract, the Contractor shall be subject to the following procedures:

**(a) Technical and Administrative Correspondence**

Technical and administrative correspondence concerning performance of this Contract shall be addressed to the responsible officials designated in SR Manual 300.1.1B, Chapter 1, Section 1.1, SR Functions, Responsibilities and Authorities Procedure, using the latest published edition.

Add the Office of Project Assessment on the distribution list for Contractor Monthly Progress (Status) Reports. These reports shall be sent to [ContractorsMPR@hq.doe.gov](mailto:ContractorsMPR@hq.doe.gov). (Mod 281)

**(b) Contractual Correspondence/Matters**

Correspondence involving contractual matters will be addressed to the CO responsible for administration of this contract. The CO for DOE is TBD, Office of Contracts Management. This individual shall be primarily responsible for all contractual actions required to be taken by the Government under the terms of this contract.

Notwithstanding the above, in the event the above named individual is absent for an extended period or an urgent action is required, any other duly appointed CO assigned to SR shall be authorized to take the required contractual action(s) within the limits of his/her authority.

~~For the WSB project, copy C. R. Elliott, Audrey Rischbieter (Contract Specialist and WSB primary point of contact), and Robert Swett (WSB Contracting Officer) on all related correspondence. (Reference: NNSA letter COR SRSOCABM 1.30.2014 559031) (Mod 898)~~

(Mod 898) The NNSA Savannah River Project Management Office (SRPMO) is primarily responsible for all contractual and administrative matters related to CLIN 0007 with DOE-SR having equal cognizance for this CLIN. The cognizant Contracting Officer for the administration of each Sub- CLIN shall be identified therein. The EM and SRPMO Contracting Officer can be reached respectively at:

Contracting Officer  
U.S. Department of Energy/EM  
Savannah River Operations Office  
P.O. Box A  
Aiken, SC 29802

Construction Contracting Officer  
U.S. Department of Energy/NNSA  
Savannah River Project Management Office  
P.O. Box A  
Aiken, SC 29802

**(c) DOE Contracting Office**

The CO's address is: U.S. Department of Energy  
Savannah River Operations Office  
Office of Contracts Management  
P.O. Box A  
Aiken, SC 29802

(d) To promote timely and effective administration all correspondence submitted to the CO shall contain a subject line commencing with the contract number as illustrated below:

“SUBJECT: CONTRACT NO. DE-AC09-08SR22470, (insert subject topic after Contract Number, e.g., “Request for subcontract placement approval”)”

A copy of all correspondence addressed to the CO shall be provided to the Manager, SR, at the mailing address stated in paragraph (c) above.

**G-2 DOE PATENT COUNSEL**

The Patent Counsel is the Contractor’s focal point for items concerning patent, intellectual property, technology transfer, copyright, open source, licenses, and technical data issues. Correspondence being sent to the DOE Patent Counsel should be addressed to:

U.S. Department of Energy  
Savannah River Operations Office  
ATTN: Patent Counsel  
Office of Chief Counsel  
P.O. Box A  
Aiken, SC 29802

**G-3 DOE ORGANIZATIONAL PROPERTY MANAGEMENT OFFICER**

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

U.S. Department of Energy  
Savannah River Operations Office

ATTN: Organizational Property Management Officer  
P.O. Box A  
Aiken, SC 29802

#### **G-4 CONTRACTOR CONTACT**

The Contractor shall identify to the SR CO the contracting contact who has the authority and is responsible for managing, administering, and negotiating changes to the terms and conditions of this contract, as well as executing contract modifications on behalf of the contractor.

#### **G-5 MONTHLY COST REPORTS (Applicable to the Recovery Act Work) (Modification A024, paragraph K)**

The following reporting procedure shall apply to submission of monthly cost reports for Recovery Act work specified in this modification.

- (a) The contractor shall separately identify costs that pertain to the Recovery Act work. The contractor shall provide a monthly report that identifies the total amount drawn on the letter of credit. This monthly report shall separate and identify Recovery Act costs associated with each appropriation at the Recovery Act program and project levels.
- (b) The contractor shall certify in each monthly report that the costs included in the report for Recovery Act work were incurred only to accomplish the Recovery Act work in accordance with this modification work scope.

#### **G-6 INDIRECT CHARGES (Applicable to the Recovery Act Work) (Modification A024, paragraph K)**

##### **Indirect Charges**

In accordance with the general principles of the Recovery Act the contractor must take the following steps to minimize the impacts of indirect costs and enhance transparency and accountability of projects:

- (a) Clearly identify the estimated full cost of projects to include total direct and indirect costs, indirect costs rates, and adjust existing indirect cost rate to account for the material infusion of funds provided in the Recovery Act;
- (b) Exempt funds from contract cost base for management fees and distributing Laboratory Directed Research and Development or similar funds taxing programs;
- (c) Ensure all funds transferred by SRNS are completed using the Approved Funding Program process described in Chapter 12 of the Accounting Handbook; and

- (d) Ensure the Federal Administrative Charge (FAC) of three percent is waived on reimbursable work funded by the Recovery Act and performed by Departmental Federal offices or SRNS.

**PART I - THE SCHEDULE**

**SECTION H - SPECIAL CONTRACT REQUIREMENTS**

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**PART I - THE SCHEDULE**

**SECTION H**

**SPECIAL CONTRACT REQUIREMENTS**

**H-1 ACCESS TO DOE-OWNED OR LEASED FACILITIES**

(a) The performance of this contract requires that employees of the Contractor have physical access to DOE-owned or leased facilities. The Contractor understands and agrees that DOE has a prescribed process with which the Contractor and its employees must comply in order to receive a security badge that allows such physical access. The Contractor shall propose employees whose background offers the best prospect of obtaining a security badge approval for access. This clause does not control requirements for an employee obtaining a security clearance.

(b) The Contractor shall assure:

- Compliance with procedures established by DOE in providing its employees with any forms directed by DOE;
- Employees properly complete any forms;
- Employees submit the forms to the person designated by the CO;
- Employees cooperate with DOE officials responsible for granting access to DOE-owned or leased facilities; and
- Employees provide additional information requested by those DOE officials.

(c) The Contractor understands and agrees that DOE may unilaterally deny a security badge to an employee and that the denial remains effective for that employee unless DOE subsequently determines that access may be granted. Upon notice from DOE that an employee's application for a security badge is or will be denied, the Contractor shall promptly identify and submit the appropriate forms for the substitute employee. The denial of a security badge to individual employees by DOE shall not be cause for extension of the period of performance of this Contract or any contractor claim against DOE.

(d) The Contractor shall return to the CO, or designee, the badge(s) or other credential(s) provided by DOE pursuant to this clause, granting physical access to DOE-owned or leased facilities by the Contractor's employee(s) upon:

- Termination of this Contract;
- Expiration of this Contract;
- Termination of employment on this Contract by an individual employee; or
- Demand by DOE for return of the badge.

(e) The Contractor shall include this clause, including this paragraph (e), in any subcontract, awarded in the performance of this Contract, in which an employee(s) of the subcontractor will require physical access to DOE-owned or leased facilities.

## **H-2 ACCOUNTING FOR PERFORMING ENTITY**

All financial data and planning of the entities comprising the performing entity, as identified below, shall be provided for at the same level of detail required of the prime Contractor. All actual financial data shall be included with the prime Contractor's input to the Financial Information System by the dates established by DOE. Actual manpower data will also be reported in a form and manner acceptable to DOE.

## **H-3 RESERVED (Amendment 003)**

## **H-4 APPLICATION OF SERVICE CONTRACT ACT OF 1965 (41 U.S.C. 351) TO THE PERFORMING ENTITY**

(a) The Service Contract Act of 1965 is not applicable to this contract. In accordance with the clause in Section I entitled DEAR 970.5244-1 "Contractor Purchasing System" subcontracts awarded by the Contractor are subject to the Act to the same extent and under the same conditions as contracts awarded by DOE.

(b) The Contractor and the CO shall develop a procedure whereby DOE will determine if the Service Contract Act is applicable to particular subcontracts to be awarded by the Contractor. In cases determined to be covered by the Service Contract Act, the Contractor shall prepare SF-98 and 98A "Notice of Intention to Make a Service Contract" and forward it to the CO or his designee to obtain a wage determination.

## **H-5 ASSUMPTION OF EXISTING AGREEMENTS AND SUBCONTRACTS**

(a) Existing contractual agreements entered into by the predecessor contractor will be assumed by the Contractor upon the effective date of assumption of full responsibility under this contract. The contractual agreements shall include all (1) subcontracts and purchase orders; (2) agreements with domestic and foreign research organizations; (3) agreements with universities and colleges; and (4) any other similar agreements.

(b) The terms and conditions of these contractual agreements, as they exist when assumed, shall remain in full force and effect unless modified by the Contractor and the vendor/subcontractor.

## **H-6 COMPLIANCE WITH INTERNET PROTOCOL, VERSION 6 (IPv6), IN ACQUIRING INFORMATION TECHNOLOGY (IT)**

(a) This contract may involve the acquisition of IT that uses Internet Protocol (IP) technology. The Contractor agrees that (1) all deliverables that involve IT that use IP (products, services, software, etc.) will comply with IPv6 standards and interoperate with both IPv6 and IPv4 systems and products; and (2) it has IPv6 technical support for development and implementation and fielded product management available. If the Contractor plans to offer a deliverable that involves IT that is not initially compliant, the Contractor agrees to (1) obtain the CO's approval

before starting work on the deliverable; (2) provide a migration path and firm commitment to upgrade to IPv6 for all application and product features by June 2008; and (3) have IPv6 technical support for development and implementation and fielded product management available.

(b) Should the Contractor find that any future statements of work or specifications provided to the Contractor do not conform to the IPv6 standard, it must notify the CO of such nonconformance and act in accordance with instructions of the CO.

(c) The Contractor shall identify an employee to act as a liaison with the DOE HQ Chief Information Officer where needed. The Contractor shall also refrain from waiving any requirement unless the waiver has been approved in advance in writing/email by the CO. The Contractor shall provide a copy of any waiver to the CO within 45 days of its execution.

#### **H-7 CONFIDENTIALITY OF INFORMATION**

(a) To the extent that the work under this Contract requires that the Contractor be given access to confidential or proprietary business, technical, or financial information belonging to the Government or other companies, the Contractor shall, after receipt thereof, treat such information as confidential and agrees not to appropriate such information to its own use or to disclose such information to third parties unless specifically authorized by the CO in writing. The foregoing obligations, however, shall not apply to:

- (1) Information which, at the time of receipt by the Contractor, is in public domain;
- (2) Information which is published after receipt thereof by the Contractor or otherwise becomes part of the public domain through no fault of the Contractor;
- (3) Information which the Contractor can demonstrate was in its possession at the time of receipt thereof and was not acquired directly or indirectly from the Government or other companies; or
- (4) Information which the Contractor can demonstrate was received by it from a third party that did not require the Contractor to hold it in confidence.

(b) The Contractor shall obtain the written agreement, in a form satisfactory to the CO, of each employee permitted access, whereby the employee agrees that he will not discuss, divulge, or disclose any such information or data to any person or entity except those persons within the Contractor's organization directly concerned with the performance of the Contract.

(c) The Contractor agrees, if requested by the Government, to sign an agreement identical, in all material respects, to the provisions of this clause, with each company supplying information to the Contractor under this Contract, and to supply a copy of such agreement to the CO.

(d) The Contractor agrees that upon request by DOE, it will execute a DOE-approved agreement with any party whose facilities or proprietary data it is given access to or is furnished, restricting use and disclosure of the data or the information obtained from the facilities. Upon request by DOE, such an agreement shall also be signed by Contractor personnel.

(e) This clause shall flow down to all subcontracts.

(f) Technical data is addressed in Section I, DEAR 970.5227-2 – Rights in Data- Technology Transfer (DEC 2000) (DEVIATION).

## **H-8 CONTRACTOR ACCEPTANCE OF NOTICES OF VIOLATION(S) AND FINES AND PENALTIES**

(a) The Contractor shall accept, in its own name, notices of violation(s) (NOV) and fines and penalties if issued directly to the Contractor by Federal or State regulators resulting from the Contractor's performance of work under this contract, without regard to liability. The allowability of the costs associated with fines and penalties shall be governed by the clause in Section I entitled, DEAR 970.5232-2 "Payments and Advances." The Contractor shall notify the CO immediately when it receives service from the regulators of NOV's and fines and penalties. If an NOV or a fine/penalty is provided to the Contractor and the Contractor is not responsible for the cited function under this contract, the Contractor shall immediately notify the Government and the regulator. Any NOV's, fines or penalties associated with any act or failure to act before the Contractor assumed responsibility for the site shall be processed in accordance with the clause in Section I entitled, DEAR 970.5231-4 "Pre-existing Conditions."

(b) The Contractor shall respond to all NOV's, fines and penalties issued directly to the Contractor and may conduct negotiations with the regulators. DOE will be fully integrated into these negotiations. However, the Contractor shall not make any commitments or offers to regulators which would bind the Government in any form or fashion, including monetary obligations, without receiving written concurrence from the CO or their authorized representative (who shall be the SR Chief Counsel regarding fines and penalties) prior to making any such offers/commitments. Failure to obtain such advance written approval may result in otherwise allowable costs being declared unallowable and/or the Contractor being liable for any excess costs to the Government associated with or resulting from such offers/commitments.

## **H-9 RESERVED**

## **H-10 DEFENSE NUCLEAR FACILITIES SAFETY BOARD (DNFSB)**

The Contractor shall conduct activities in accordance with those DOE commitments to the DNFSB which are contained in implementation plans and other DOE correspondence to the DNFSB. The Contractor shall support preparation of responses to DNFSB issues and recommendations which affect or can affect Contract work. Based on the CO's direction, the Contractor shall fully cooperate with the DNFSB and provide access to such work areas, personnel, and information as necessary. The Contractor shall maintain a document process consistent with the DOE manual on

interface with the DNFSB. The Contractor shall be accountable for ensuring that subcontractors adhere to these requirements.

#### **H-11 DISCRIMINATION IN EMPLOYMENT**

The Contractor shall not discriminate against any employee, applicant for employment, or former employee on the basis of age. The Contractor shall comply with the Age Discrimination in Employment Act, with any state or local legislation regarding discrimination based on age, and with all applicable regulations thereunder. Additionally, the Contractor shall comply with all other laws such as, but not limited to, Title VII, 42 U.S.C. Section 2000e, et.seq.

#### **H-12 DISPOSITION OF INTELLECTUAL PROPERTY – FAILURE TO COMPLETE**

In the event of a termination for default or termination for convenience, DOE may take possession of all technical information, including limited rights data and data obtained from subcontractors, licensors, and licensees, necessary for design, construction, operation, cleanup and closure activities associated with the SOW, subject to the clause in Section I entitled, DEAR 970.5227-2 “Rights in Data – Technology Transfer” of this contract. Technical information includes, but is not limited to, designs, operation manuals, flowcharts, software, work progress reports, and any other information necessary for design, construction, operation, cleanup and closure activities associated with the M&O SOW.

Upon request, the Contractor agrees to grant to the Government an irrevocable, nonexclusive, paid-up license in and to any intellectual property, including any technical information and limited rights data, which are owned or controlled by the Contractor, at any time through completion or termination of this contract and which are necessary for the continued design, construction, operation, cleanup and closure activities associated with the SOW, (1) to practice or to have practiced by or for the Government at the facility, and (2) to transfer such license to future contractors for the design, construction, operation, cleanup and closure activities associated with the SOW. The acceptance or exercise by the Government of the aforesaid rights and license shall not prevent the Government at any time from contesting the enforceability, validity, or scope of, or title to, any rights or patents or other intellectual property herein licensed.

In addition, the Contractor will take all necessary steps to assign permits, authorizations, and any licenses in any third party intellectual property for the design, construction, cleanup and closure activities associated with the SOW to DOE or such other third party as DOE may designate.

The obligations under this clause are not dependent upon any payments by the Government. The obligations arise immediately upon the request of the CO.

#### **H-13 ELECTRONIC SUBCONTRACTING REPORTING SYSTEM (DOE ACQUISITION LETTER 2006-01 DATED 10/27/05)**

(a) The Offeror’s subcontracting plan shall assure that Standard Form (SF) 294, Subcontracting Reports for Individual Contracts, and SF 295, Summary Subcontract Reports are submitted under the Electronic Subcontract Reporting System (eSRS), including all sub tiers.

(b) The contractor or subcontractor shall provide such information that will allow applicable lower tier subcontractors to fully comply with the statutory requirements of FAR 19.702.

#### **H-14 EMPLOYEE COMPENSATION: PAY AND BENEFITS**

(Note: Revised by Mods 230, 408, 453, 624, and 741)

##### (a) Contractor Employee Compensation Plan

The Contractor shall submit, for Contracting Officer approval, by close of contract transition, a Contractor Employee Compensation Plan (to be submitted during contract transition only) demonstrating how the Contractor will comply with the requirements of this Contract. The Contractor Employee Compensation Plan shall describe the Contractor's policies regarding compensation, pensions and other benefits, and how these policies will support at reasonable cost the effective recruitment and retention of a highly skilled, motivated, and experienced workforce.

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

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

##### (b) Total Compensation System

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

##### (c) Reports and Information

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

- (1) An Annual Contractor Salary-Wage Increase Expenditure Report to include, at a minimum, breakouts for merit, promotion, variable pay, special adjustments, and structure movements

for each pay structure showing actual against approved amounts; and planned distribution of funds for the following year.

- (2) A list of the top five most highly compensated executives as defined in FAR 31.205-6(p)(4)(ii) and their total cash compensation at the time of Contract award, and at the time of any subsequent change to their total cash compensation. This should be the same information provided to the System for Award Management (SAM) per FAR 52.204-10.
- (3) An Annual Compensation and Benefits Report no later than March 15 of each year.

(d) Pay and Benefit Programs

The Contractor shall establish pay and benefit programs for Incumbent Employees and Non-Incumbent Employees as defined in paragraphs (1) and (2) below; provided, however, that employees scheduled to work fewer than 20 hours per week receive only those benefits required by law. Employees are eligible for benefits, subject to the terms, conditions, and limitations of each benefit program.

- (1) Incumbent Employees are the employees who hold regular appointments or who are regular employees of the incumbent contractor.
  - A. Pay. Subject to the Workforce Transition Clause, the Contractor shall provide equivalent base pay to Incumbent Employees as compared to pay provided by WSRC for at least the first year of the term of the Contract.
  - B. Pension and Other Benefits. The Contractor shall provide a total package of benefits to Incumbent Employees comparable to that provided by WSRC. Comparability of the total benefit package shall be determined by the Contracting Officer in his/her sole discretion.

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

- (2) Non-Incumbent Employees are new hires, i.e., employees other than Incumbent Employees who are hired by the Contractor after date of award. All Non-Incumbent Employees shall receive a total pay and benefits package that provides for market-based retirement and medical benefit plans that are competitive with the industry from which the Contractor recruits its employees and in accordance with Contract requirements.

(3) Cash Compensation

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

- (i) Any proposed major compensation program design changes prior



to implementation.

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

(iii) In the absence of Departmental policy to the contrary (e.g., Secretarial pay freeze) if a Contractor meets the criteria, as set forth below, it is not required to submit a Compensation Increase Plan (CIP) fund request to the Contracting Officer for an advance determination of cost allowability for a Merit Increase or Promotion/Adjustment fund:

- The Merit Increase fund does not exceed the mean percent increase included in the annual Departmental guidance providing the WorldatWork Salary Budget Survey's salary increase projected for the CIP year. The Promotion/Adjustment fund does not exceed 1.1%.
- The budget used for both Merit and Promotion/Adjustment funds shall be based on the payroll for the end of the previous CIP year.
- Salary structure adjustments do not exceed the mean WorldatWork average structure adjustments projected for the CIP fiscal year and communicated through the annual Department CIP guidance.
- Please note: No later than the first day of the CIP cycle, Contractors must provide notification to the Contracting Officer of planned increases and position by market data by mutually agreed-upon employment categories. No presumption of allowability will exist for employee job classes that exceed market position.

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

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

agreement between the Contractor and the Contracting Officer. (d) The Contracting Officer may adjust the CIP amount after approval based on major changes in factors that significantly affect the plan amount (for example, in the event of a major reduction in force or significant ramp-up).

(8) A discussion of the impact of budget and business constraints on the CIP amount.

(9) Comparison of pay to relevant factors other than market average pay.

(v) After receiving DOE approval of CIP or if criteria in (d)(3)(A)(iii) was met, contractors may make minor shifts of up to 10% of approved CIP funds by employment category (e.g., Scientist/Engineer, Admin, Exempt, Non-Exempt) without obtaining DOE approval.

(vi) Individual compensation actions for the top Contractor official (e.g., laboratory director/plant manager or equivalent) and Key Personnel not included in the CIP. For those key personnel included in the CIP, DOE will approve salaries upon the initial contract award and when Key Personnel are replaced during the life of the contract. DOE will have access to all individual salary reimbursements. This access is provided for transparency; DOE will not approve individual salary actions (except as previously indicated).

(B) The Contracting Officer's approval of individual compensation actions will be required only for the top Contractor official (e.g., laboratory director/plant manager or equivalent) and key personnel as stated in (d)(3)(A)(vi) above. The base salary reimbursement level for the top Contractor official establishes the maximum allowable base salary reimbursement under the contract. Unusual circumstances may require a deviation for an individual on a case-by-case basis. Any such deviations must be approved by the Contracting Officer.

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

- i. Voluntarily separates, resigns or retires from employment  
However, employees whose applications for Voluntary Self-Select separation pursuant to a DOE-approved workforce restructuring action are accepted will be entitled to the severance benefits consistent with the terms of the DOE Workforce Restructuring Plan for the Savannah River Site.
- ii. Is offered employment with a successor/replacement Contractor,
- iii. Is offered employment with a parent or affiliated company, or
- iv. Is discharged for cause.

(D) Service Credit for purposes of determining severance pay does not include any period of prior service for which severance pay has been previously paid through a DOE

cost-reimbursement contract.

(e) Pension and Other Benefit Programs

- (1) No presumption of allowability will exist when the Contractor implements a new benefit plan, or makes changes to existing benefit plans that increase costs or are contrary to Departmental policy or written instruction or until the Contracting Officer makes a determination of cost allowability for reimbursement for new or changed benefit plans. Changes shall be in accordance with and pursuant to the terms and conditions of the contract. Advance notification, rather than approval, is required for changes that do not increase costs and are not contrary to Departmental policy or written instruction.
- (2) Cost reimbursement for Employee pension and other benefit programs sponsored by the Contractor will be based on the Contracting Officer's approval of Contractor actions pursuant to an approved "Employee Benefits Value Study" and an "Employee Benefits Cost Survey Comparison" as described below.
- (3) Unless otherwise stated, or as directed by the Contracting Officer, the Contractor shall submit the studies required in paragraphs (A) and (B) below. The studies shall be used by the Contractor in calculating the cost of benefits under existing benefit plans. An Employee Benefits Value (Ben-Val) Study Method using no less than 15 comparator organizations and an Employee Benefits Cost Survey Comparison method shall be used in this evaluation to establish an appropriate comparison method. In addition, the Contractor shall submit updated studies to the Contracting Officer for approval prior to the adoption of any change to a pension or other benefit plan which increases costs.

(A) The Ben-Val, every three years for each benefit tier (e.g., group of employees receiving a benefit package based on date of hire), which is an actuarial study of the relative value (RV) of the benefits programs offered by the Contractor to Employees measured against the RV of benefit programs offered by Contracting Officer approved comparator companies.. To the extent that the value studies do not address post retirement benefits other than pensions, the Contractor shall provide a separate cost and plan design data comparison for the post retirement benefits other than pensions using external benchmarks derived from nationally recognized and Contracting Officer approved survey sources and,

(B) An Employee Benefits Cost Study Comparison, annually for each benefit tier that analyzes the Contractor's employee benefits cost for employees as a percent of payroll and compares it with the cost as a percent of payroll, including geographic factor adjustments, reported by the U.S. Department of Labor's Bureau of Labor Statistics or other Contracting Officer approved broad based national survey.

- (4) When the net benefit value exceeds the comparator group by more than five percent, the Contractor shall submit a corrective action plan to the Contracting Officer for approval, unless waived in writing by the Contracting Officer.
- (5) When benefit costs as a percent of payroll exceeds the comparator group by more than five percent, when and if required by the Contracting Officer, the Contractor shall submit an

analysis of the specific plan costs that result in or contribute to the percent of payroll exceeding the costs of the comparator group and submit a corrective action plan if directed by the Contracting Officer.

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

(7) The Contractor may not terminate any benefit plan during the term of the Contract without the prior approval of the Contracting Officer in writing.

(8) Cost reimbursement for post-retirement benefits other than pensions (PRBs) is contingent on DOE approved service eligibility requirements for PRB that shall be based on a minimum period of continuous employment service not less than 5 years under a DOE cost reimbursement contract(s) immediately prior to retirement. Unless required by Federal or State law, advance funding of PRBs is not allowable.

(9) Each Contractor sponsoring a pension and/or postretirement benefit plan will participate in the plan management process which includes written responses to a questionnaire regarding plan management, providing forecasted estimates of future reimbursements in connection with the plan(s) and participating in a conference call to discuss the Contractor submission (see (g)(6) below for Pension Management Plan requirements).

(10) Each contractor will respond to data calls issued through iBenefits, or its successor system.

(f) Establishment and Maintenance of Pension Plans for which DOE Reimburses Costs

(1) Employees working for the Contractor shall only accrue credit for service under this Contract after the date of Contract award.

(2) Except for Commingled Plans in existence as of the effective date of the Contract, any pension plan maintained by the Contractor for which DOE reimburses costs, shall be maintained as a separate pension plan distinct from any other pension plan that provides credit for service not performed under a DOE cost-reimbursement contract. When deemed appropriate by the Contracting Officer, Commingled Plans shall be converted to Separate Plans at the time of new contract award or the extension of a contract.

(g) Basic Requirements

The Contractor shall adhere to the requirements set forth below in the establishment and administration of pension plans that are reimbursed by DOE pursuant to cost reimbursement

contracts for management and operation of DOE facilities and pursuant to other cost reimbursement facilities contracts. Pension Plans include Defined Benefit and Defined Contribution plans.

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

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

- (3) For existing Commingled Plans, the Contractor shall maintain and provide annual separate accounting of DOE liabilities and assets as for a Separate Plan.
- (4) For existing Commingled Plans, the Contractor shall be liable for any shortfall in the plan assets caused by funding or events unrelated to DOE contracts.
- (5) The Contractor shall comply with the requirements of ERISA if applicable to the pension plan and any other applicable laws.
- (6) The Pension Management Plan (PMP) shall include a discussion of the Contractor's plans for management and administration of all pension plans consistent with the terms of the Contract. The PMP shall be submitted in the iBenefits system, or its successor system not later than January 31<sup>st</sup> of each applicable year. A full description of the necessary reporting will be provided in the annual management plan data request. Within sixty (60) days after the date of the submission, appropriate Contractor representatives shall participate in a conference call to discuss the Contractor's PMP submission and any other current plan issues or concerns.

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

- (1) Contractors that sponsor single employer or multiple employer defined benefit pension plans will be reimbursed for the annual required minimum contributions under the Employee Retirement Income

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

- (2) Contractors that sponsor multi-employer DB pension plans will be reimbursed for pension contributions in the amounts necessary to ensure that the plans are funded to meet the annual minimum requirement under ERISA, as amended by the PPA. However, reimbursement for pension contributions above the annual minimum contribution required under ERISA, as amended by the PPA, will require prior approval of the Contracting Officer and will be considered on a case by case basis. Reimbursement amounts will take into consideration all pre-funding balances and funding standard carryover balances. Early in the fiscal year but no later than the end of January, the Contractor requesting above the minimum may submit/update a business case for funding above the minimum if preliminary approval is needed prior to the Pension Management Plan process. The business case shall include a projection of the annual minimum required contribution and the proposed contribution above the minimum. The submission of the business case will provide the opportunity for the Department to provide preliminary approval, within 30 days after contractor submission, pending receipt of final estimates, generally after January 1<sup>st</sup> of the calendar year. Final approval of funding will be communicated by the HCA when discount rates are finalized and it is known whether there are any budget issues with the proposed contribution amount.

(i) Reporting Requirements for Designated Contracts

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

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

(j) Changes to Pension Plans

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

- (1) For proposed changes to pension plans and pension plan funding, the Contractor shall provide the following to the Contracting Officer:
  - A. a copy of the current plan document (as conformed to show all prior plan amendments), with the proposed new amendment indicated in redline/strikeout,
  - B. an analysis of the impact of any proposed changes on actuarial accrued liabilities and costs,
  - C. except in circumstances where the Contracting Officer indicates that it is unnecessary, a legal explanation of the proposed changes from the counsel used by the plan for purposes of compliance with all legal requirements applicable to private sector defined benefit pension plans,
  - D. the Summary Plan Description, and
  - E. any such additional information as requested by the Contracting Officer.
- (2) Contractors shall submit new benefit plans and changes to plan design or funding methodology with justification to the Contracting Officer for approval, as applicable (see (e)(1) above). The justification must:
  - A. demonstrate the effect of the plan changes on the contract net benefit value or percent of payroll benefit costs,
  - B. provide the dollar estimate of savings or costs, and
  - C. provide the basis of determining the estimated savings or cost.

(k) Terminating Operations

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

- (1) No further benefits for service shall accrue.
- (2) The Contractor shall provide a determination statement in its settlement proposal, defining and identifying all liabilities and assets attributable to the DOE contract.
- (3) The Contractor shall base its pension liabilities attributable to DOE contract work on the market value of annuities or lump sum payments or dispose of such liabilities through a competitive purchase of annuities or lump sum payouts.
- (4) Assets shall be determined using the "accrual-basis market value" on the date of termination of operations.
- (5) DOE and the Contractor(s) shall establish an effective date for spinoff or plan termination. On the same day as the contractor notifies the IRS of the spinoff or plan termination, all plan assets assigned to a spun-off or terminating plan shall be placed in a low-risk liability matching portfolio until the successor trustee, or an insurance company, is able to assume stewardship of those assets.

(1) Terminating Plans

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

(m) Special Programs

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

(n) Definitions

- (1) Commingled Plans. Cover employees from the contractor's private operations and its DOE contract work.
- (2) Current Liability. The sum of all plan liabilities to employees and their beneficiaries. Current liability includes only benefits accrued to the date of valuation. This liability is commonly expressed as a present value.
- (3) Defined Benefit Pension Plan. Provides a specific benefit at retirement that is determined pursuant to the formula in the pension plan document.
- (4) Defined Contribution Pension Plan. Provides benefits to each participant based on the amount held in the participant's account. Funds in the account may be comprised of employer contributions, employee contributions, investment returns on behalf of that plan participant and/or other amounts credited to the participant's account.



- (5) Designated Contract. For purposes of this clause, a contract (other than a prime cost reimbursement contract for management and operation of a DOE facility) for which the Head of the Departmental Contracting Activity determines that advance pension understandings are necessary or where there is a continuing Departmental obligation to the pension plan.
- (6) Pension Fund. The portfolio of investments and cash provided by employer and employee contributions and investment returns. A pension fund exists to defray pension plan benefit outlays and (at the option of the plan sponsor) the administrative expenses of the plan.
- (7) Separate Accounting. Account records established and maintained within a commingled plan for assets and liabilities attributable to DOE contract service. NOTE: The assets so represented are not for the exclusive benefit of any one group of plan participants.
- (8) Separate Plan. Must satisfy IRC Sec. 414(1) definition of a single plan, designate assets for the exclusive benefit of employees under DOE contract, exist under a separate plan document (having its own Department of Labor plan number) that is distinct from corporate plan documents and identify the Contractor as the plan sponsor.
- (9) Spun-off Plan. A new plan which satisfies IRC Reg. 1.414 (1)-1 requirements for a single plan and which is created by separating assets and liabilities from a larger original plan. The funding level of each individual participant's benefits shall be no less than before the event, when calculated on a "plan termination basis."

(End of clause)

## **H-15 EMPLOYEE CONCERNS PROGRAM**

The Contractor shall submit an implementation plan to the CO for approval within 90 days of contract award that describes an Employee Concerns Program (ECP) that implements all programmatic requirements in DOE Order 442.1A, and DOE Guide 442.1-1, Employee Concerns Program, and all superseding versions. Guidance for preparation of an ECP Plan is provided in Section J, Appendix I.

## **H-16 ENVIRONMENT, SAFETY, AND HEALTH (ES&H)**

- (a) The Offeror shall comply with the existing System Description Document created by the predecessor contractor in accordance with the clause in Section I entitled, DEAR 970.5223-1 "Integration of Environmental, Safety, and Health into Work Planning and Execution." The Contractor shall submit an update to the existing Integrated Safety Management System (ISMS) Description Document within 120 days of contract award and thereafter each year on September 1, for the following fiscal year. Any changes to the ISMS Description Document after the CO's or designee's initial approval, shall be approved by the CO or designee.
- (b) The initial update of the ISMS Description Document shall include any revisions to those ES&H Plans/Programs (i.e., Quality Assurance Plan, Radiation Protection Plan, Worker Safety and Health Program, Environmental Management System, etc.) approved by DOE as required by the clause in Section I entitled, DEAR 970.5204-2 "Laws, Regulations, and DOE Directives."

- (c) This Contract establishes the agreed-upon safety requirements and other operating parameters for the site-wide operations covered by the contract, except with respect to facilities/activities for which separate Authorization Agreement(s) are necessary. Authorization Agreements are to be used to establish, document, and control the safety requirements and other parameters for Category 2 nuclear facilities and other facilities as directed by the CO to ensure adequate protection of the workers, the public, and the environment. Updates and changes to any approved Authorization Agreements(s) shall be subject to CO approval.

## **H-17 ENVIRONMENTAL JUSTICE**

The Contractor shall embrace the principles of Environmental Justice by complying with all applicable environmental regulations and by focusing on nondiscrimination in its programs that affect human health and the environment. The Contractor shall assist the Department in complying with the principles of Executive Order 12898 (Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations) on Environmental Justice.

## **H-18 ENVIRONMENTAL PERMITS AND APPLICATIONS**

(a) In recognition of the Contractor's responsibility to operate in compliance with all applicable environmental requirements, the Contractor shall sign Resource Conservation and Recovery Act (RCRA) permits and applications as co-operator. DOE shall sign RCRA permits and applications as co-operator and owner if such signature is required by law or Regulatory Agency. The Contractor and other Site Contractors shall sign all other permits and applications as required by law or Regulatory Agency.

(b) To clarify the resulting obligations under the Contract, the parties agree to the following:

(1) DOE agrees that the Contractor shall not incur any liability above and beyond that contemplated by the Contract by reason of the Contractor's execution of environmental permits.

(2) DOE agrees that if bonds, insurance, or administrative fees are required as a condition for such permits, such costs shall be allowable. In the event that such costs are determined by DOE to be excessive or unreasonable, DOE shall provide the regulatory agency with an acceptable form of financial responsibility. In no event shall the Contractor or its parent be required to provide any corporate resources or corporate guarantees to satisfy such regulatory requirements.

(3) In the event of termination or expiration of this Contract, DOE will require the new Contractor to accept transfer of all environmental permits executed by the Contractor.

(c) The Contractor will be responsible for interfacing with other Site Contractors, as appropriate, when it pertains to permit applications, environmental monitoring, environmental reporting, and regulatory interactions. DOE will be fully integrated into these processes.

Environmental monitoring, reporting, inspection, and control requirements will be defined in either the facility-specific permits issued by the state or in site-wide DOE-approved plans.

(d) The Contractor will be responsible for reviewing and approving deliverables related to Site-wide permits, permit-related plans, and exemption packages developed pursuant to State and Federal environmental regulations, and for forwarding the applications to the state for final approval, as appropriate. For each permit associated with this work-scope, the Contractor will perform the necessary calculations, prepare required reports, design drawings and application forms, security screening of information, and submit the documentation to DOE for review and, when applicable, approval.

(e) The Contractor shall sample all release and emission points, as defined in the applicable permits or as directed by DOE, to support environmental monitoring programs. The Contractor shall monitor impacts on site-wide environmental media. The Contractor shall ensure that environmental monitoring data is collected pursuant to standards and procedures stipulated in the permit and/or applicable regulations. The Contractor shall ensure that all analytical data is collected and analyzed according to applicable methods and standards, and that field and laboratory quality controls and measures are implemented according to applicable standards stipulated in the facility permit. The Contractor shall provide to DOE environmental monitoring data to support operating permits, for which the Contractor has responsibility.

## **H-19 GOVERNMENT-OWNED PROPERTY AND EQUIPMENT**

(a) Unless otherwise directed by the CO, the Contractor shall, during the Transition Period, conduct a joint reconciliation of the incumbent contractor's property inventory covering all items of Government property. Any discrepancies from the existing inventory records shall be reported to the CO. This information will be used to provide a baseline in accordance with the clause in Section I entitled DEAR 970.5245-1, "Property."

(b) All real and personal property, including material and facilities, currently assigned to the incumbent contractor to perform workscope included in this contract will be provided to the Contractor. During the transition period, an inventory of such property in the DOE Facilities Information Management System, Federal Inventory System, and applicable incumbent contractor property databases will be provided to the Contractor. Specifically, the following Property Acceptance requirements will be implemented.

(1) The Contractor shall conduct and complete a full inventory of all special nuclear material and accept full accountability for that special nuclear material during the transition period.

(2) The Contractor shall accept, at the end of transition, transfer of accountability for the remaining government-owned property (real and personal) not covered under paragraph (1), based on existing inventory records, on an "as-is, where-is" basis, and complete a formal inventory of all other nuclear material and non-nuclear material within 120 calendar days after the transition period. As the formal inventories are completed, the Contractor shall assume responsibility and liability for subsequent losses and damages.

## **H-20 HOME OFFICE EXPENSES**

Home office expenses, whether direct or indirect, relating to activities of the Contractor are unallowable, except as otherwise specifically provided in the Contract or specifically agreed to in writing by the CO consistent with DEAR 970.3102-3-70, "Home Office Expenses."

## **H-21 LABOR RELATIONS**

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

(b) The Contractor shall meet with the Contracting Officer or designee(s) for the purpose of reviewing the Contractor's bargaining objectives prior to negotiations of any collective bargaining agreement or revision thereto and shall consult with and obtain the approval of the Contracting Officer regarding appropriate economic bargaining parameters, including those for pension and medical benefit costs, prior to the Contractor entering into the collective bargaining process. During the collective bargaining process, the Contractor shall notify the Contracting Officer before submitting or agreeing to any collective bargaining proposal which can be calculated to affect allowable costs under this Contract or which could involve other items of special interest to the Government. During the collective bargaining process, the Contractor shall obtain the approval of the Contracting Officer before proposing or agreeing to changes in any pension or other benefit plans.

(c) The Contractor will seek to maintain harmonious bargaining relationships that reflect a judicious expenditure of public funds, equitable resolution of disputes and effective and efficient bargaining relationships consistent with the requirements of FAR, Subpart 22.1 and DEAR, Subpart 970.2201 and all applicable Federal and State Labor Relations laws.

(d) The Contractor will notify the Contracting Officer or designee in a timely fashion of all labor relations issues and matters of local interest including organizing initiatives, unfair labor practice, work stoppages, picketing, labor arbitrations, and settlement agreements and will furnish such additional information as may be required from time to time by the Contracting Officer.

## **H-22 LITIGATION MANAGEMENT PROCEDURES**

(a) The Contractor [including any entities named in paragraph (a) of the provision in Section H entitled "Recognition of Performing Entity"] shall prepare a Management of Litigation Procedures which shall be submitted to the CO or designee for approval within 60 days after the effective date of the contract, and shall be updated thereafter as required.

(b) The SR Chief Counsel is the authorized designee of the CO for approval of this Plan.

(c) Reasonable litigation and other legal expenses are allowable when incurred in

accordance with the DOE approved contractor legal management procedures (including cost guidelines) as such procedures may be revised from time to time, and if not otherwise made unallowable by law or the provisions of this contract.

### **H-23 LOBBYING RESTRICTIONS**

(a) The Contractor shall not commit any funds obligated on this award to be expended, directly or indirectly, to influence congressional action on any legislation or appropriation matters pending before Congress, other than to communicate to Members of Congress as described in 18 U.S.C. 1913. This restriction is in addition to those prescribed elsewhere in applicable statute and regulation.

(b) Any travel associated with legislative monitoring must be approved in advance by the CO.

### **H-24 NUCLEAR MATERIAL FACILITY OPERATIONS**

(a) The activities under this Contract include the operation of nuclear material facilities. The Contractor recognizes that such operations involve the risk of a nuclear incident which, while the chances are remote, could adversely affect the public health and safety as well as the environment. Therefore, the Contractor shall exercise a degree of care commensurate with the risk involved.

(b) As used in this clause, the term "Nuclear Materials" is a collective term which includes source material, Special Nuclear Material, and those other materials to which, by direction of DOE and/or NNSA, the provisions of DOE's Directives regarding the control of Nuclear Materials, which have been or may be furnished to the Contractor by DOE and/or NNSA, apply. The Contractor shall accept existing procedures and, in a manner satisfactory to the CO, propose revised, as appropriate, accounting and measurement procedures, maintain current records and institute appropriate control measures for Nuclear Materials in its possession commensurate with the national security and DOE policy. The Contractor shall make such reports and permit such inspections as DOE and/or NNSA may require with reference to nuclear materials. The Contractor shall take all reasonable steps and precautions to protect such materials against theft and misappropriations and to minimize all losses of such materials.

(c) Transfers of Nuclear Materials shall only be made with the prior written approval of the CO, or authorized designee. Nuclear Materials in the Contractor's possession, custody, or control shall be used only for furtherance of the work under this contract. The Contractor shall be responsible for the control of such Nuclear Materials in accordance with applicable DOE Directives regarding the control of Nuclear Materials, which have been or may be issued to the Contractor by DOE and/or NNSA, and shall make a part of each purchase order, subcontract, and other commitment involving the use of Nuclear Materials for which the Contractor has accountability, which it enters into under this contract, appropriate terms and conditions for the use of Nuclear Materials and the responsibilities of the subcontractor or vendor regarding control of Nuclear Materials. In the case of fixed-price purchase orders, subcontracts, or other commitments involving the use of Nuclear Materials for which the Contractor has accountability,

the terms and conditions with respect to Nuclear Materials shall also identify who has the financial responsibilities, if any, regarding such items as losses, scrap recovery, product recovery, and disposal.

## **H-25 OPEN COMPETITION AND LABOR RELATIONS IN MANAGEMENT AND OPERATING AND OTHER MAJOR FACILITIES CONTRACTS (DEC 2002)**

“Labor organization,” as used in this clause, shall have the same meaning it has in 42 U.S.C 2000e (d).

(a) Unless acting in the capacity of a constructor on a particular project, the Contractor shall not:

- (1) Require bidders, offerors, contractors, or subcontractors to enter into or adhere to nor prohibit those parties from entering into or adhering to agreements with one or more labor organizations, i.e., project labor agreements, that apply to construction project(s) to this contract; or
- (2) Otherwise discriminate against bidders, offerors, contractors, or subcontractors for refusing to become or remain signatories or to otherwise adhere to project labor agreements for construction project(s) relating to this contract.

(b) When the Contractor is acting in the capacity of a constructor, i.e., performing a substantial portion of the construction with its own forces, it may use its discretion to require bidders, offerors, contractors, or subcontractors to enter into a project labor agreement that the Contractor has negotiated for that individual project.

(c) Nothing in this clause shall limit the right of bidders, offerors, contractors, or subcontractors to voluntarily enter into project labor agreements.

## **H-26 ORGANIZATIONAL CONFLICT OF INTEREST MANAGEMENT PLAN**

Within 120 calendar days after the effective date of the contract, the Contractor shall submit to the CO for approval an Organizational Conflict of Interest (OCI) Management Plan. The Plan shall describe an aggressive program to self-identify conflicts of interest, avoid conflicts of interest and facilitate the mitigation of actual conflicts of interest and shall be periodically updated as required during the term of the contract. The Plan shall be consistent with the clause in Section I entitled, DEAR 952.209-72 “Organizational Conflicts of Interest,” and include the following:

- (a) The procedures for identifying and evaluating past, present, and anticipated contracts of the Contractor, its related entities and the entities named in the provision in Section H entitled “Performing Entity,” and their related entities;

- (b) The procedures the Contractor will utilize to identify conflicts;
- (c) The procedures for reporting actual or potential conflicts of interest to the CO;
- (d) The procedures the Contractor will utilize to oversee, implement, and update the OCI Plan, to include assigning responsibility for management, oversight and compliance to an individual in the Contractor's organization with full authority to implement the Plan;
- (e) The procedures for ensuring all DOE required representations and certifications and factual analyses are timely submitted to DOE for approval;
- (f) The procedures for protecting agency information that could lead to an unfair competitive advantage if disclosed, collecting disclosure agreements covering all individuals, subcontractors, and other entities with access to agency-sensitive information, and physical safeguards, if necessary;
- (g) The procedures for OCI training and self-education of employees, as well as the frequency of recertifications; and
- (h) The enforceable disciplinary mechanisms to be used by the Offeror.

(Note: This Plan is in addition to the procedures required by the clause in Section I entitled, DEAR 970.5227-3 "Technology Transfer Mission.")

## **H-27 PERFORMANCE BASED MANAGEMENT AND OVERSIGHT**

(a) Performance-based management shall be the key enabling mechanism for establishing the DOE-Contractor expectations on oversight and accountability. DOE expectations (outside of individual program performance and requirements of laws and regulations) and performance targets shall be established through the Performance Evaluation and Measurement Plan (PEMP). This PEMP shall establish the expected strategic results in the areas of mission accomplishment, stewardship and operational excellence. Mission performance, stewardship and operational goals shall be established by agreement with DOE. Contractor self-assessment, third party certification, and Contractor and DOE independent oversight, as appropriate, shall be the primary means for assessing stewardship and operational performance. Routine DOE oversight of Contractor performance will be conducted in accordance with DOE Order 226.1, Implementation of DOE Oversight Policy.

(b) The Contractor shall propose to the CO within five months after award, an SR EM Contract Performance Baseline and a performance based incentive program including proposed incentives and associated fee amounts, within the total fee amounts specified in paragraph B-2.3(a) above. The incentives may be annual incentives and/or multi-year incentives covering up to the entire balance of the base term of the contract. The CO will consider the proposed incentive program in establishing the Performance Evaluation and Measurement Plan required by the clause in Section I entitled, DEAR 970.5215-1 "Total Available Fee: Base Fee Amount and Performance Fee Amount." (Note: Mod 383 extended the NNP Multi-year PBI (established in Mod 280) from

9/30/13 to 9/30/15).

The performance-based management system shall be the primary vehicle for addressing issues associated with performance expectations. In the event of a substantive performance shortfall in any area, the appropriate improvement expectations and targets will be incorporated into the PEMP and tracked through self-assessment and independent oversight, as appropriate.

NOTE: Modification A024, paragraph H states -

Within 3 months after effective date of this modification, the contractor shall propose to the Contracting Officer a supplemental Performance Evaluation and Measurement Plan to accommodate the accelerated Contract Performance Baseline. Upon definitization of this supplemental, Section B paragraph "B-2.3 Total Available Fee" will be modified to add a separate supplemental fee pool schedule specifying the ARRA scope of work fee "periods" and the related "total available fee." This shall be added, as a new paragraph, at B-2.3 (a) (1). The contractor fee pool for this Recovery Act funded work shall be commensurate with the fee pool percentage the contractor bid on for the competed work scope under the original base prime contract. The Contractor and the Government agree the Total Available Fee Pool schedule shall be definitized no later than the date of the supplemental PEMP definitization. [NOTE: Mod 092 provided ARRA PEMP (Rev. 0), Mod 158 provided ARRA PEMP (Rev. 1), Mod 173 provided ARRA PEMP (Rev. 2), Mod 201 provided ARRA PEMP (Rev. 3), Mod 237 provided ARRA PEMP (Rev. 4), Mod 273 provided ARRA PEMP (Rev. 5), and Mod 312 provided ARRA PEMP (Rev. 6)].

(c) Compliance with applicable Federal, State and local laws and regulations, and permits and licenses, shall be primarily determined by the cognizant regulatory agency and DOE will primarily rely upon the determination of the external regulators in assessing Contract compliance. DOE oversight will be achieved through periodic assessments at the management system level, including review of Contractor self-assessments and assessments by independent third parties.

## H-28 PERFORMANCE BASED INCENTIVES

(a) Performance-Based Management System. This Contract is a management and operating performance-based contract, which holds the Contractor accountable for performance. This Contract uses clearly defined standards of performance consisting of performance objectives in relation to award fee and performance-based incentives as described in this Contract Clause with measures and targets for each area agreed to in advance on a fiscal-year basis and incorporated into the and Measurement Plan (PEMP). The Parties agree to continuously improve upon these standards of appraising Contractor performance.

(b) Performance Evaluation and Measurement Plan (PEMP). A PEMP developed by the CO, with Contractor input, shall document the process by which the Contractor's performance will be evaluated. The Parties will strive to reach mutual agreement on expected business, operational and technical performance and will work together to develop performance objectives, performance-based incentives and associated measures and targets tied to key end products and



NNSA/DOE strategic goals and objectives. In the event the parties fail to agree on the requirements, the CO reserves the unilateral right to make the final decision on all performance objectives and performance incentives (including the associated measures and targets) used to evaluate Contractor performance. The PEMP shall be finalized, whether bilaterally or unilaterally, prior to the start of an appraisal period. Only the CO may revise the PEMP, consistent with the Contract statement of work, during the appraisal period of performance. No changes will be made to the PEMP with less than 60 days remaining in the appraisal period.

NOTE: [See Modification M017 for FY09; Mods 046, 068, 082, 093 and 099 for FY10 PEMPs; Mods 119, 131, 152, 167, 188, and 193 for FY11 PEMPs; Mods 216, 229, 236, 244, 250, 265, and 280 for FY12 PEMPs; Mods 292, 293, 300, 327, 340 and 355 for FY13 PEMPs; and Mod 402 (for the DOE/NNSA FY14 Strategic PEP, Rev. 0) and Mods 404, 413, 423, 451, 469 and 489 for FY14 PEMPs; Mods 505, 524, and 536 for FY15 PEMPs; Mods 574 and 596 for FY16 PEMPs; and Mods 649, 684 and 701 for FY17 PEMPs; and Mod 728 and 783, 793, 810 for SRNS FY18 PEMPs, Mod 811 for SRNS FY19 PEMP (Extension #1 8/1/18-7/31/19), Mod 871 for SRNS FY20 PEMP (Extension #2 8/1/19-9/30/20), and Mod 922 for SRNS FY20 PEMP Rev 1 Extending Date (Extension #2 8/1/19 – 11/30/20), Mod 926 for SRNS FY21 PEMP (12/1/20 – 9/30/21), Mod 995 for SRNS FY21 PEMP Rev 1, Mod 1007 for SRNS FY22 PEMP Rev 0 (10/1/21 – 9/30/22)

(c) Contractor Appraisal Self-Assessment Report. If requested by the CO, an annual self-assessment report shall be prepared by the Contractor of its performance against the performance objectives and incentives contained in the PEMP and other significant factors as determined by the Contractor and CO. The annual self-assessment shall be submitted within five-working days after the end of the appraisal period.

(d) Determination of Performance Incentives Fee

- (1) DOE/NNSA shall, at the conclusion of each specified appraisal period, evaluate the Contractor's performance for all Performance Incentive requirements.
- (2) The Performance Incentive fee determination will be made in accordance with the PEMP. The determination as to the amount of Performance Incentive fee earned is a unilateral determination made by the Fee Determination Official (FDO).
- (3) The Contractor shall be promptly advised in writing of the amount and the basis of the Performance Incentive fee determination.
- (4) Performance Incentive fee not earned during the evaluation period shall not be allocated to future evaluation periods.

(e) Schedule. The CO shall issue the Fee Determination Official's final total available fee amount earned determination in accordance with the schedule set forth in the PEMP or as otherwise set forth in this contract. However, a determination must be made within sixty calendar days after the receipt by the CO of the Contractor's self-assessment or seventy calendar days after the end of the evaluation period, whichever is later, or a longer period if the Contractor and CO agree. If the CO evaluates the Contractor's performance of specific requirements on their

completion, the payment of any earned fee amount must be made within seventy calendar days (or such other time period as mutually agreed to between the CO and the Contractor) after such completion.

(f) Fee. The maximum fees allocated for payments to the Contractor for the performance of the work under this Contract are set forth in Part I, Section B, of the Schedule. The Performance Incentives fee earned is available for payment in accordance with the clause in Section I entitled, DEAR 970.5232-2 "Payments and Advances." There shall be no adjustment in the amount of the Contractor's fee by reason of differences between any estimate of cost for performance of the work under this Contract and the actual cost of performance of that work.

## **H-29 PERFORMANCE GUARANTEE**

The Contractor is required by other provisions of this Contract to organize a separate corporate entity to perform the work under the Contract and shall be totally responsible for all Contract activities. The Contractor's parent organization(s) or all member organizations if the Contractor is a joint venture, limited liability company, or other similar entity, shall guarantee performance as evidenced by the Performance Guarantee Agreement incorporated in the Contract in Section J, Appendix G. If the Contractor is a joint venture, limited liability company, or other similar entity where more than one organization is involved, the parent or all member organizations shall assume joint and several liability for the performance of the Contractor. In the event any of the signatories to the Performance Guarantee Agreement enters into proceedings related to bankruptcy, whether voluntary or involuntary, the Contractor agrees to furnish written notification of the bankruptcy to the CO.

## **H-30 PERFORMANCE/TECHNICAL DIRECTION**

(a) This provision supplements the clause in Section I entitled, DEAR 952.242-70 "Technical Direction."

(b) In addition to those functions specifically reserved throughout this Contract for the CO, the CO shall be the sole authority for assignment or modification of work authorization documents, approval and modification of PBIs, establishment of work priorities, and directing work requiring the expenditure of funds which have been obligated for performance of this Contract.

(c) The CO's Representative(s) will be designated by the CO by letter and will represent the CO in the technical phases of the work. A copy of this designation letter shall be furnished to the Contractor. The COR (s) is authorized to provide technical direction in accordance with the clause in Section I entitled, DEAR 952.242-70 "Technical Direction." The COR is not authorized to change any of the terms and conditions of this contract, including the Statement of Work. Changes in any of the terms and conditions of the contract shall be made only by the CO by written modification(s) to the contract.

(d) The Contractor shall only accept Technical Direction if provided in writing by an appointed COR and if within terms of the SOW or a work authorization document. Technical Direction shall not authorize the Contractor to exceed the total funds obligated on the Contract or

any estimated cost or delay in delivery in a work authorization document. It is expected that there will be full and open communication between the functional counterparts of DOE and the Contractor's organization.

(e) Performance/Technical Direction does not:

Authorize the contractor to exceed the funds obligated on the Contract;

Authorize any increased cost or delay in delivery;

Entitle the Contractor to an increase in fee; or

Change any of the terms or conditions of the Contract.

(f) (1) The Contractor shall promptly comply with each duly issued Performance Direction unless the Contractor reasonably believes that the Performance Direction violates this clause. If the Contractor believes the Performance Direction violates this clause, the Contractor shall suspend implementation of the Performance Direction and promptly notify the CO of its reasons for believing that the Performance Direction violates this clause. Oral notification to the CO shall be confirmed in writing within ten days of the oral notification.

(2) The CO will determine if the Performance Direction is within the SOW and work authorization document. This determination will be issued in writing and the Contractor shall promptly comply with the CO's direction. If it is not within the SOW or work authorization document, the CO may issue a change order pursuant to the clause in Section I entitled, DEAR 970.5243-1 "Changes."

### **H-31 PRESERVATION OF ANTIQUITIES, WILDLIFE AND LAND AREAS**

(a) DOE Policy 141.1, Department of Energy Management of Cultural Resources, and Federal Law provides for the protection of antiquities located on land owned or controlled by the Government. Antiquities include Indian graves or campsites, relics and artifacts. The Contractor shall control the movements of its personnel and its subcontractor's personnel at the job site to ensure that any existing antiquities discovered thereon will not be disturbed or destroyed by such personnel. It shall be the duty of the Contractor to report to the CO the existence of any antiquities so discovered. The Contractor shall also preserve all vegetation (including wetlands) except where such vegetation must be removed for survey or construction purposes. Furthermore, all wildlife must be protected except for management programs approved by the CO.

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

(c) The Contractor shall implement an historic preservation program in accordance with the National Historic Preservation Act of 1966 (as amended) and the SR Cultural Resources Management Plan.

## H-32 PRIVACY ACT SYSTEMS OF RECORDS (SOR)

The Contractor shall design, develop, or operate the following systems of records on individuals to accomplish an agency function pursuant to the clause in Section I entitled, FAR 52.224-2 "Privacy Act." (Modification 067)

<b>DOE System No.</b>	<b>Title</b>
DOE-05	Personnel Records of Former Contractor Employees (This SOR shall include the records of all former employees who previously worked for any predecessor contractors at SRS)
DOE-10	Energy Employees Occupational Illness
DOE-11	Emergency Operations Notifications Call List
DOE-15	Intelligence Related Access Authorization
DOE-18	Financial Accounting System
DOE-28	General Training Records
DOE-33	Personnel Medical Records (Present and former DOE employees, Contractor Employees, and other persons at SRS receiving routine, periodic, and emergency medical examination or treatment.)
DOE-34	Employee Assistance Program
DOE-35	Personnel Radiation Exposure Records (Past and present DOE and Contractor employees and other persons having access to SRS)
DOE-38	Occupational and Industrial Accident Records (DOE and Contractor employees and other persons having access to SRS and having accidents at SRS, or individuals involved in accidents with DOE or Contractor employees.)
DOE-43	Personnel Security Clearance Files
DOE-44	Special Access Authorization for Categories of Classified Information
DOE-45	Weapon Data Access Control System (DOE, DOD, or other Government agency employees, Government Contractors, consultants, and other persons requiring access to classified weapons data or SRS nuclear weapons program facilities.)
DOE-46	Administrative Review Files (Category of Classified Information)
DOE-48	Security Education and/or Infraction Reports
DOE-50	Human Reliability Program Records
DOE-51	Employee and Visitor Access Control System (DOE and Contractor employees and other individuals working at or visiting SRS.)
DOE-52	Access Control Records of International Visits, Assignments and Employment
DOE-63	Personnel Identity Verification (Category of Classified Information)
DOE-75	Call Detail Records
DOE-77	Physical Fitness Test Records
DOE-81	Counterintelligence Administrative and Analytical Records and Reports
DOE-84	Counterintelligence Investigative Records
DOE-88	Epidemiologic and Other Health Studies, Surveys and Surveillances

The above list shall be revised from time to time by mutual agreement between the Contractor and the CO as may be necessary to keep it current. Such changes need not be formally incorporated before the annual Contract update modification, but shall have the same effect as if actually listed above for the purpose of satisfying the listing requirement contained in Paragraph (a)(1) of the clause in Section I entitled, FAR 52.224-2 "Privacy Act."

In performing its functions under this contract, the Contractor shall neither request nor utilize social security numbers as a personal identifier of Federal employees unless required to do so by law or regulation, DOE Order, or as agreed to in writing by the CO.

### **H-33 PROVISIONAL PAYMENT OF INCENTIVE FEE**

- (a) A provisional payment is a payment of fee made for partial completion of an incentive. Provisional payments must be repaid in whole or in part, as determined by the CO, if the incentive is not successfully completed.

**NOTE: Modification 060 ARRA – See Clause B-2.3 "Total Available Fee" paragraphs (a) (1) for provisional invoicing fee percentage tables.**

- (b) Payments may be made based upon completion of milestones or any other methodology as set forth in the PEMP and its supporting documentation. Provisional payments may be made as identified in paragraph (a) above.
- (c) If the Contractor fails to fully accomplish an incentive for which it has received milestone completion or provisional payments, the CO will determine if the Contractor is to refund all or part of the provisional fee it has received. Any refund made shall include interest. Interest will be paid at the interest rate established by the Secretary of the Treasury as provided in Section 12 of the Contract Disputes Act of 1978 (Public Law 95-563), which is applicable to the period in which any unearned payments were made.

### **H-34 QUALITY ASSURANCE SYSTEM**

The Contractor shall maintain and enhance a formal Quality Assurance Program approved by DOE as required by the clause in Section I entitled, DEAR 970.5204-2 "Laws, Regulations, and DOE Directives." Any subcontracts in support of the Contractor's work shall require subcontractors to comply with applicable elements of the Contractor's approved Quality Assurance Program or the subcontractor's program(s) as approved by the Contractor.

### **H-35 RECOGNITION OF PERFORMING ENTITY**

- (a) The Contractor and the Government recognize that the parties named below form the performing entity on which the award of this contract was based. The performing entity is Savannah River Nuclear Solutions, LLC (SRNS). This entity is comprised of:

Fluor Federal Services, Inc.  
Honeywell International, Inc.  
Newport News Nuclear, Inc. (Ltr. SRNS-F5100-2009-00021 dated  
1/27/09)

(b) Accordingly, the Contractor and the Government agree that:

The Contractor shall take no action to replace the components of the Offeror named in (a) above without the prior written approval of the CO.

### **H-36 REPORTING REQUIREMENTS (For NNSA Reporting)**

(a) Work Breakdown Structure (WBS). Except as provided for elsewhere in the contract, the WBS, as approved by the CO, shall provide the basis for all reports required under this subsection. The WBS shall be derived from the SOW and shall otherwise conform to any implementation guidance which may be provided by the CO.

(b) Periodic Plans and Reports. The Contractor shall submit periodic cost, schedule, and technical performance plans and reports in such form and substance as required by the CO. These periodic plans and reports shall be submitted at the interval, and to the addresses and in the quantities as specified by the CO. Where specific forms are required for individual plans and reports, the CO shall provide such forms to the Contractor. The plans and reports expected to be submitted by the Contractor are described generally as follows:

- (1) General Management Reports narratively summarize schedule, labor, and cost plans and status, and provide explanations of status variances from plans.
- (2) Schedule/Labor Cost Reports provide information on schedule, labor and cost plans and status.
- (3) Performance Measurement Reports provide information regarding budgeted cost versus actual cost, schedule performance against milestones and estimated cost at completion.
- (4) Technical Reports are the means by which scientific, technical, and engineering information acquired in the performance of the work is disseminated.
- (5) Plans and reports shall be prepared by the Contractor in such a manner as to provide for:
  - consistency with the Contract Statement of Work, the work authorization documents, the approved WBS, and the existing accounting structure; and
  - correlation of data among the various plans and reports.

(c) Changes in Work Effort. The reporting system established and maintained by the Contractor pursuant to this subsection shall recognize changes in work effort directed by the CO,

as provided for in the Work Authorization System. During performance of this contract, the Contractor shall update and/or change, as appropriate, the WBS (including any diagrams, supporting work descriptions, and WBS dictionary) to reflect changes in the SOW or work authorization documents. The Contractor's reporting system shall be able to provide for the following at the work authorization document level, or such lower level, as specified by the CO.

- (1) Incorporate contractual changes affecting estimated cost, schedule, and other relevant terms and conditions of the contract, in a timely manner;
  - (2) Reconcile estimated costs for those elements of the WBS identified in the Contract as either priced line items or discrete work authorization documents, and for those elements at the lowest level of the project summary WBS with current performance measurement budgets in terms of:
    - Changes to the authorized work; and,
    - Internal replanning in the detail needed by management for effective control;
  - (3) Prohibit retroactive changes to records pertaining to work performed that will change previously-reported costs except for correction of errors and routine accounting adjustments;
  - (4) Prevent revisions to the Contract estimated costs except for Government-directed or approved changes to the contractual effort; and
  - (5) Document, changes to the performance measurement baseline and, on a timely basis, notify the CO of such changes.
- (d) The Contractor agrees to provide the CO, or designated authorized representatives, access to information and documents comprising the Contractor's reporting system described in (b) above.
- (e) The Contractor shall include the requirements of subparagraphs (b) and (d) in all subcontracts that are cost-reimbursement type of contracts when:
- The value of the subcontract is greater than \$2 million, unless specifically waived by the CO, or
  - The CO determines prior to award that the contract/subcontract effort is, or involves, a critical task related to the Contract.

### **H-37 REPRESENTATIONS AND CERTIFICATIONS**

The Representations, Certifications, and Other Statements of Offeror for this Contract as completed by the Contractor and dated 06/06/07, are hereby incorporated in this Contract by reference.

**H-38 RESPONSIBLE CORPORATE OFFICIAL (Ltr. SRNS-F5100-2009-00337 and SRNS-F2000-2017-00165, and Mod 736)**

Notwithstanding the Section H provision entitled "Performance Guarantee," the Government may contact, as necessary, the single responsible corporate official identified below, who is at a level above the Contractor and who is accountable for the performance of the Contractor. Should the responsible corporate official change during the period of the contract, the Contractor shall promptly notify the Government of the change in the individual to contact.

Name: Thomas D'Agostino  
Position: President  
Company: Fluor Federal Services, Inc.

**H-39 RIGHTS TO SUBCONTRACTOR PROPOSAL DATA**

Except as otherwise authorized by the CO, the Contractor, pursuant to FAR 27.409(s), shall include the clause in Section I entitled, FAR 52.227-23 "Rights to Proposal Data (Technical) (JUNE 1987)," in any subcontract awarded based on consideration of a technical proposal.

**H-40 SEGREGATION OF COSTS**

(a) Whenever the contract contains a provision for an incentive for a portion of the work effort under the contract, the Contractor shall maintain separate accounts, by work authorization directive or other suitable accounting procedure, of all incurred segregable, direct costs of work, allocable to the work effort directly related to the incentive arrangement.

(b) The Contractor shall maintain all such accounts, required pursuant to the paragraphs above, in accordance with the clauses in Section I entitled, DEAR 970.5204-3 "Access to and Ownership of Records" and DEAR 970.5232-3 "Accounts, Records and Inspection," of this contract; but, in no case, for a period of less than three years following the Government's determination of the applicable incentive fee.

**H-41 SEPARATE CORPORATE ENTITY**

The work performed under this Contract by the Contractor shall be conducted by a separate corporate entity from its parent company(s). The separate corporate entity must be set up solely to perform this Contract, and shall be totally responsible for all Contract activities. The separate corporate entity shall perform no other commercial work or work for other Government agencies except as may be authorized under the terms of this contract. The Contractor shall not utilize or otherwise divert contract employees to other corporate work except as may be authorized under the terms of the contract or as otherwise authorized by the CO.

**H-42 SMALL BUSINESS SUBCONTRACTING PLAN**



The Small Business Subcontracting Plan with goals, submitted by the Contractor consistent with the provisions of the clause in Section I entitled, FAR 52.219-9 "Small Business Subcontracting Plan," and approved by the CO, is incorporated into this Contract as Appendix C in Section J. Prior to ~~the beginning of each Fiscal Year~~ **October 31 of each Fiscal Year (reference CMD-12-229)**, the Contractor shall also submit an "annual" subcontracting plan which shall establish subcontracting goals. The annual plan shall be reviewed for approval by the CO and upon approval are incorporated into this Contract by reference as a material part of the contract.

#### **H-43 SPECIAL FINANCIAL INSTITUTION ACCOUNT AGREEMENT**

The Contractor shall provide in accordance with DOE requirement, a Special Financial Institution Account Agreement which shall be in place prior to assuming full responsibility for the performance of the contract. This agreement shall be included as Section J, Appendix B.

#### **H-44 STOP WORK AND SHUT DOWN AUTHORITY - ENVIRONMENT, SAFETY AND HEALTH**

(a) Definition: Stop Work - The suspension of a specific activity or activities by the CO or authorized designee based upon the determination or observation of conditions which are immediately dangerous to the life or health of the workers, the public, or the environment or for any other reason determined to be in the best interests of the Government from an ES&H perspective. Stop-Work Orders for non-ES&H reasons shall be in accordance with the clause in Section F entitled, FAR 52.242-15 "Stop-Work - Alternate I (APR 1984)."

(b) The CO, or authorized designee, may at any time during the performance of this contract issue a stop-work order and shutdown facility operations or stop work on specific activities of the Contractor or any Subcontractor, in accordance with the following:

(1) The CO shall notify the Contractor, in writing, of any noncompliance with applicable ES&H requirements which come to the attention of the CO. After receipt of such notice, the Contractor shall immediately take corrective action, consistent with the work authorization provisions of Section H entitled, "Performance/Technical Direction." In the event that the Contractor fails to take corrective action, the CO or authorized designee may, without prejudice to any other legal or contractual rights of DOE, issue a written order stopping all or any part of the work; thereafter, a start order for resumption of the work may be issued at the discretion of the CO in accordance with applicable DOE Directives, if any. The Contractor shall not be entitled to an extension of time or additional fee or damages by reason of, or in connection with, any work stoppage ordered in accordance with this clause.

(2) If at any time during performance of the contract work, the Contractor's acts or failure to act causes substantial harm or an imminent danger to the health or safety of individuals or the environment, the CO or authorized designees may, without prejudice to any other legal or contractual rights of DOE, issue a verbal order, to be immediately confirmed in writing before departing the incident site, stopping all or any part of the work; thereafter, a start order for resumption of the work may be issued at the discretion of the

CO in accordance with applicable DOE Directives, if any. The Contractor shall not be entitled to an extension of time or additional fee or damages by reason of, or in connection with, any work stoppage ordered in accordance with this clause.

(c) Duly appointed DOE Facility Representatives; Deputy Managers; Assistant Managers; NNSA-SRSO Deputy Manager and Director of Operations; and the Director, OSSES are authorized designees of the CO for the purposes set forth in this clause. Other authorized designees shall be approved through the process described in the clause in Section H entitled, "Performance/Technical Direction."

(d) The Contractor shall include this clause, modified appropriately to include Contractor Representatives, in all subcontracts containing the clause in Section I entitled, DEAR 970.5204-2 "Laws, Regulations, and DOE Directives."

#### **H-45 SUBCONTRACTOR SELECTION**

The Contractor shall establish in its purchasing system, developed as required by the clause in Section I entitled, DEAR 970.5244-1 "Contractor Purchasing System," procedures for evaluating the ES&H records of companies submitting offers/bids/proposals for performing subcontract work in Government-owned or leased facilities under this contract. The procedures shall provide for evaluation of ES&H indicators (e.g., workers' compensation costs, injury/illness incidence rates, lost workday incidence rates, property damage, fire loss rates, experience modification rate, etc.), as appropriate, for the work to be performed and identify the threshold(s) for selection.

#### **H-46 SUBCONTRACTS**

Prior to the placement of subcontracts and in accordance with the clause in Section I entitled, DEAR 970.5244-1 "Contractor Purchasing System," the Contractor shall ensure that any required prior notice and description of the subcontract is given to the CO and any required consent is received. Except as may be expressly set forth therein, any consent by the CO to the placement of subcontracts shall not be construed to constitute approval of the Subcontractor or any subcontract terms or conditions, determination of the allowability of any cost, revision of this contract or any of the respective obligations of the parties thereunder, or creation of any Subcontractor privity of contract with the Government.

#### **H-47 SUPPORT TO OTHER SITE CONTRACTORS**

(a) The Contractor shall provide timely and quality technical, logistical and administrative support to other site contractors in accordance with the SRS Interface Management Plan to be developed by the Contractor and subordinate controlling agreements to be developed or modified as required during the transition period. Costs shall be planned and budgeted by the Contractor based on input provided by requesting site contractors. The methodology for funds transfer shall be developed in accordance with DOE policies. The contractor shall attempt to provide non-programmed support to the other contractors based on the availability of its resources and charged in accordance with DOE financial policies.

(b) The Contractor shall coordinate and integrate the technical, logistical and administrative support needed by other contractors with those contractors to ensure adherence to established schedules and baselines by both contractors. Other site contractors requiring programmed, or non-programmed, support shall identify their requirements in a timely manner and shall utilize the Contractor's processes and procedures.

(c) The other site contractor's obligation to utilize programmed support from the Contractor is contingent upon the Contractor providing the services in a timely manner at an acceptable level of performance. In the event that the Contractor violates this clause in any material and significant way, that is, that the Contractor's interference or lack of cooperation with another DOE contractor causes or substantially contributes to that other contractor's inability to produce timely deliverables, the CO may reduce the Contractor's fee by no more than five percent (5%) of the total amount of fee earned by the Contractor for the performance evaluation period in which the action occurred.

#### **H-48 NO THIRD PARTY BENEFICIARIES**

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

#### **H-49 RESERVED**

#### **H-50 TRANSITION TO FOLLOW-ON CONTRACT**

The Contractor recognizes that the work and services covered by this contract are vital to the DOE mission and must be maintained without interruption, both at the commencement and the expiration of this contract. It is therefore understood and further agreed in recognition of the above:

That at the expiration of the contract term or any earlier termination thereof, the Contractor shall cooperate with a successor contractor or the Government by allowing either to interview its employees for possible employment, and if such employees accept employment with the replacement Contractor, shall release such employees at the time established by the new employer or by DOE. The Contractor shall cooperate with the replacement Contractor and Government with regard to the termination or transfer arrangements for such employees to assure maximum protection of employee service credits and fringe benefits.

After selection by the Government of any successor Contractor, the Contractor and such successor Contractor shall jointly prepare mutual detailed plans for phase-out and phase-in operations. Such plans shall specify a training and orientation program for the successor Contractor to cover each phase of the scope of work covered by the contract. A proposed date by which the successor Contractor will assume responsibility for such work shall be established. The Contractor shall assume full responsibility for such work until assumption thereof by the successor Contractor.

Execution of the proposed plan or any part thereof shall be accomplished in accordance with the CO's direction and approval.

This clause shall apply to subcontracts as approved by the CO.

The Contractor shall be reimbursed for all reasonable phase-in and phase-out costs, i.e., costs incurred within the agreed period after contract expiration that result from phase-in and phase-out operations.

#### **H-51 TYPE OF CONTRACT (Mod 898)**

~~This is a performance based contract for the management of a DOE facility governed by the provisions of FAR 17.6 and DEAR 917.6. It is a cost reimbursement contract with provisions for a general performance fee and performance incentives as provided for in the clause in Section I entitled, DEAR 970.5215-1 "Total Available Fee: Base Fee Amount And Performance Fee Amount."~~

This is a Performance Based Contract for the Management and Operation of DOE/NNSA facilities governed by FAR 17.6, DEAR 917.6, and applicable regulations within DEAR 970. It is a Management and Operating (M&O), cost-reimbursement Contract with provisions for a general performance fee and performance incentives as provided for in the clause in Section I entitled, DEAR 970.5215-1 "Total Available Fee: Base Fee Amount and Performance Fee Amount" for CLIN 0001. The contract types and values under CLIN 0007 for DOE-SR and NNSA Capital Construction Projects shall be established as each SUB-CLIN is awarded under CLIN 0007.

#### **H-52 UNCLASSIFIED CONTROLLED INFORMATION (UCI)**

Documents originated by the Contractor or furnished by the Government to the Contractor in connection with this Contract may contain UCI, including Unclassified Controlled Nuclear Information (UCNI) (as determined pursuant to Section 148 of the Atomic Energy Act of 1954, as amended), and Personal Identifying Information (PII). The Contractor shall protect such information from unauthorized dissemination in accordance with DOE Regulations and Directives.

#### **H-53 WITHDRAWAL OF WORK**

- (a) The CO reserves the right to have any of the work contemplated by Section C, Statement of Work, of this contract performed by either another Government contractor or to have the work performed by Government employees.
- (b) DOE reserves the right to direct the Contractor to assign to the DOE, or another Contractor, any subcontract awarded under this contract.
- (c) The DOE reserves the right to identify specific work activities in Section C "Description/Specifications/Work Statement" to be removed (de-scoped) from the contract in order to contract directly for the specific work activities.

(d) If withdrawn work has been authorized under an annual work authorization directive, the work shall be terminated in accordance with the procedures in the clause in Section I entitled, FAR 52.249-6 "Termination." If work has not been authorized under a work authorization directive and there is no impact on the Contractor's staffing, the fee amount set forth in the Schedule shall be equitably adjusted, under the clause in Section I entitled DEAR 970.5243-1, "Changes." If the Contractor's staffing is impacted, the work shall be terminated in accordance with the procedures in the clause in Section I entitled, FAR 52.249-6 "Termination."

(e) If any work is withdrawn by the CO, the Contractor agrees to fully co-operate with the new entity performing the work and to provide whatever support is required pursuant to the clause in Section I entitled, DEAR 952.242-70 "Technical Direction."

~~**H-54 WORK AUTHORIZATION SYSTEM**~~ **[Deleted by Mod 181 – See DEAR 970.5211-1 Work Authorization (May 2007) in Section I]**

~~(a) Prior to the start of each Fiscal Year, DOE shall provide the Contractor program execution guidance in sufficient detail to develop an estimated cost, scope, and schedule. The Contractor shall submit to the CO or other designated official, a detailed description of work, a budget of estimated costs, and a schedule of performance for the work to be performed during the next Fiscal Year.~~

**NOTE: Modification A024, paragraph G states -**

**In accordance with ~~clause H-54~~ DEAR 970.5211-1, the contractor shall submit to the CO for approval a detailed description of accelerated work, a budget of estimated costs for the accelerated work, and a schedule for the performance of this work, within 90 days of this modification.**

~~(b) The Contractor and DOE shall mutually establish a budget of estimated costs, detailed description of work, and schedule of performance for each task at level 3 or as otherwise specified by the CO. The established description of work, estimated costs, and schedule of performance shall be incorporated into work authorization directives. Work authorization directives, signed by the Contractor and issued by the CO are incorporated by reference into this Contract. If agreement cannot be reached on the scope, schedule, and estimated cost for the work authorization directives, the CO shall issue unilateral work authorization directives pursuant to this clause which may be appealed under the clause in Section I entitled, FAR 52.233-1 "Disputes."~~

~~(c) No activities shall be authorized and no costs incurred until either the CO has issued work authorization directives or the CO has issued direction concerning continuation of activities.~~

~~(d) The work authorization directives authorizing the Contractor to proceed with performance shall be provided to the Contractor by the CO. Each work authorization directive so issued will include, as a minimum, the following:~~

~~Authorization number and effective date;~~

~~Description of work;~~

~~Estimated cost (and estimated cost for the work to be performed under this authorization if the work authorization directive performance schedule exceeds the current contract);~~

~~Appropriate performance objectives, schedule, and milestone dates;~~

~~Cost, schedule, and all other reporting requirements;~~

~~Date of issue;~~

~~Contractor's signature; and~~

~~CO's signature.~~

**NOTE: See Modifications 039 and 041 for EERE Work Scope Application Reviews to be performed by SRNL**

~~(e) Technical Direction. Government direction of the performance of all work authorized for performance under this Contract shall be in accordance with the clause in Section I entitled, DEAR 952.242-70 "Technical Direction" and the provision in Section H entitled, "Performance/Technical Direction."~~

~~Modification of Work Authorization Directives. The CO may at any time and without notice issue changes to the work authorization directives within the SOW of the Contract requiring additional work, or directing the omission of, or changes to, the work. A proposal for adjustment in the budget of estimated costs and schedule of performance of work established in accordance with paragraph (b) of this clause shall be submitted by the Contractor in accordance with paragraphs (a) and (b) of this clause. In addition, the Contractor shall notify the CO immediately whenever the cost incurred to date plus the projected cost to complete the work on any work authorization directive is expected to exceed or underrun the estimated cost by ten percent of the work authorization directive. In this case, the Contractor shall submit a proposal for a change in the work authorization directive in accordance with paragraphs (a) and (b) of this clause.~~

~~(g) Expenditure of Funds and Incurrence of Cost. The performance of work and the incurrence of cost in the execution of the SOW of this Contract shall be initiated only when authorized in accordance with the provisions of this subsection. The expenditure of monies by the Contractor in the performance of all authorized work shall be governed by the clause in Section I entitled, DEAR 970.5232-4 "Obligation of Funds."~~

~~(h) Order of Precedence. This clause is of lesser order of precedence than the clauses in Section I entitled, DEAR 970.5232-4 "Obligation of Funds," and DEAR 970.5232-2 "Payments and Advances." The Contractor is not authorized to incur costs on any work authorization directive which is not in compliance with the other terms and conditions of this Contract.~~

~~(i) In the event there is a conflict between the requirements of this subsection and Section J, Appendix E, "List B/Applicable DOE Directives and Orders," as amended, the Contractor shall obtain guidance from the CO.~~

~~(j) Responsibility to achieve Environment, Safety, Health, and Security Compliance. Notwithstanding the other provisions of this subsection, the Contractor has, in the event of an emergency, authority to take corrective actions as may be necessary to sustain operations in a manner consistent with applicable environmental, safety, health, and security statutes, regulations,~~

and procedures. In the event that the Contractor takes such an action, the Contractor shall notify the CO within 24 hours after such action was initiated and, within 30 days after such action has been initiated, submit a proposal for adjustment in the estimated costs and schedule of performance of work established in accordance with paragraph (a) and (b) of this subsection.

## H-55 RESERVED

## ~~H-56 WORKER'S COMPENSATION INSURANCE (Mod 408)~~

~~(a) Contractors, other than those whose workers' compensation coverage is provided through a state funded arrangement or a corporate benefits program, shall submit to the Contracting Officer for approval all new compensation policies and all initial proposals for self insurance (contractors shall provide copies to the Contracting Officer of all renewal policies for workers compensation).~~

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

~~(c) Contractors approve all workers compensation settlement claims up to the threshold established by the Contracting Officer for DOE approval and submit all settlement claims above the threshold to DOE for approval.~~

~~(d) The Contractor shall obtain approval from the CO before making any significant change to its workers compensation coverage and shall furnish reports as may be required from time to time by the CO.~~

## H-56 RISK MANAGEMENT AND INSURANCE PROGRAMS (Mod 523)

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

### 1. BASIC REQUIREMENTS

- a. Maintain commercial insurance of a self-insured program, (i.e., any insurance policy or coverage that protects the contractor from the risk of legal liability for adverse actions associated with its operation, including malpractice, injury, or negligence) as required by the terms of the contract. Types of insurance include automobile, general liability, and other third party liability insurance. Other forms of coverage must be justified as necessary in the operation of the Department facility and/or the performance of the contract, and approved by DOE.
- b. Contractors shall not purchase insurance to cover public liability for nuclear incidents

- without DOE authorization (See DEAR 970.5070, Indemnification, and DEAR 950.70, Nuclear Indemnification of DOE Contractors).
- c. Demonstrate that insurance programs and costs comply with the cost limitations and exclusions at FAR 28.307, Insurance Under Cost Reimbursement Contracts, FAR 31.205-19, Insurance and Indemnification, DEAR 952.231-71 Insurance-Litigation and Claims, and DEAR 970.5228-1, Insurance-Litigation and Claims.
  - d. Demonstrate that the insurance program is being conducted in the government's best interest and at reasonable cost.
  - e. The contractor shall submit copies of all insurance policies or insurance arrangements to the Contracting Officer no later than 30 days after the purchase date unless an extension is approved by the Contracting Officer.
  - f. When purchasing commercial insurance, the contractor shall use a competitive process to ensure costs are reasonable.
  - g. Ensure self-insurance programs include the following elements:
    - (1) Compliance with criteria set forth in FAR 28.308, Self-Insurance. Approval of self-insurance is predicated upon submission of verifiable proof that the self-insurance charge does not exceed the cost of purchased insurance. This includes hybrid plans (i.e., commercially purchased insurance with self-insured retention (SIR) such as large deductible, matching deductible, retrospective rating cash flow plans, and other plans where insurance reserves are under the control of the insured). The SIR components of such plans are self-insurance and are subject to the approval and submission requirements of FAR 28.308, as applicable.
    - (2) Demonstration of full compliance with applicable state and federal regulations and related professional administration necessary for participation in alternative insurance programs.
    - (3) Safeguards to ensure third party claims and claims settlements are processed in accordance with approved procedures.
    - (4) Accounting of self-insurance charges.
    - (5) Accrual of self-insurance reserve. The Contracting Officer's approval is required and predicated on the following:
      - (a) The claims reserve shall be held in a special fund or interest bearing account.
      - (b) Submission of a formal written statement to the Contracting Officer stating that use of the reserve is exclusively for the payment of insurance claims and losses, and that DOE shall receive its equitable share of any excess funds or reserve.
      - (c) Annual accounting and justification as to the reasonableness of the claims reserve submitted for Contracting Officer's review.
      - (d) Claim reserves, not payable within the year the loss occurred, are discounted to present value based on the prevailing Treasury rate.
  - h. Separately identify and account for interest cost on a Letter of Credit used to guarantee self-insured retention, as an allowable cost and omitted from charges to the DOE contract.
  - i. Comply with the Contracting Officer's written direction for ensuring the continuation of



insurance coverage and settlement of incurred and/or open claims and payments of premiums owed or owing to the insurer for prior DOE contractors.

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

## H-57 WORKFORCE TRANSITION

- (a) Right of First Refusal. Subject to the availability of funds, the Contractor shall offer employment to all Incumbent Employees as defined in paragraph H-14(e) who, as of the date of