

Award Fee Evaluation Period 4 Determination Scorecard

Contractor: Four Rivers Nuclear Partnership, LLC

Contract: DE-EM0004895

Award Fee Evaluation Period: Period 4 (October 1, 2021 – September 30, 2022)

Basis of Evaluation: Award Fee Plan for Performance Evaluation Measurement Plan, Paducah Gaseous Diffusion Plant Deactivation and Remediation Contract Number DE-EM0004895

Categories of Performance: Adjectival: \$2,322,414 PBI: \$18,674,894

Award Fee Available: \$20,997,308

Award Fee Earned: \$ 16,808,603 (80.05%)

Categories of Performance Award Fee

Award Fee Area Adjectival Ratings

Base Fee Available: \$2,322,414

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| 1. Quality (20%): | ● Good |
| 2. Schedule (15%): | ● Good |
| 3. Cost Control (20%): | ● Satisfactory |
| 4. Management (15%): | ● Good |
| 5. Regulatory Compliance (15%): | ● Good |
| 6. Implementation of Business Systems (15%): | ● Excellent |

The overall fee awarded based on these grades is: **\$1,619,884**

Quality: The Contractor’s quality performance was good. The Contractor met contract requirements and exceeded some to the Government’s benefit. The Total Recordable Case (TRC) and Days Away, Restricted, or Transferred (DART) rates are below the goals established by the DOE Office of Environmental Management. At the end of fiscal year (FY) 2022, FRNP recorded 12-month rolling averages of 0.57 for TRC and .11 for DART. Regarding Safety Culture, FRNP conducted a safety survey during the first half of the year that resulted in the highest participation rate from previous surveys under this contract. The results concluded that 96% believe that their immediate manager demonstrates a strong commitment to safety; 97% believe that management encourages and expects employees to promptly report incidents; 99% believe that each person is responsible for safety; and 88% feel comfortable pausing or stopping work. This feedback was welcomed news compared to prior years. As a result of FRNP’s efforts to promote safety, FRNP received the prestigious Safety Culture Team Award. As was stated in a congratulatory email from DOE Headquarters, “This most prestigious award recognizes individuals and teams who have consistently exhibited the desire to achieve a standard of excellence and exemplify the Safety Culture Attributes defined by DOE G 450.4-1C, Attachment 10, Integrated Safety Management System Guide, while performing their assigned duties that support the missions of the Department.” Building on the progress that has been made with TAKE-2, the team also launched a safety culture Ambassadors program.

Schedule: The Contractor’s schedule performance was good. The Contractor met contract requirements and exceeded some to the Government’s benefit. FRNP continues to improve schedule performance. At the beginning of FY 2022, the cumulative Schedule Performance Index (SPI), including level of effort tasks, was 0.90. By the end of FY 2022 the cumulative SPI had risen to 0.99 with 20 of 21 projects achieving a “Green” SPI of 0.9 or greater. While FRNP struggled to meet some critical path schedule deadlines, management commissioned a corporate reach-back team to review the schedule and offer suggestions on the hurdles to project completion. This corporate assist visit brought needed lessons learned from Portsmouth to tailor the scope of work to accomplishing the deactivation mission, while exploring ideas from Portsmouth such as implementing night crews. By applying these lessons learned from successfully completed projects, FRNP eliminated some schedule activities that were determined to be unnecessary. These re-planned projects will reduce overall schedule durations to the benefit of the Government and the American taxpayer. Several notable projects/activities were completed during the evaluation period in support of Stabilization and Deactivation work with others nearing completion. These projects will serve a key role in accelerating the deactivation mission. It is also worth noting that all regulatory deliverables were submitted on or ahead of schedule and the C-400 Remedial Investigation/ Feasibility Study (RI/FS) fieldwork was completed ahead of schedule, paving the way for RI/FS report and future mitigation strategies to protect the environment.

Cost Control: The Contractor’s cost control performance was satisfactory. The Contractor met the contractual requirements and expectations. FRNP made improvements in overall cost control. FY 2022 began with a cumulative Cost Performance Index (CPI) of 0.81, with seven projects below the acceptable CPI threshold of 0.9. The cumulative cost variance at the beginning of FY 2022 exceeded the budget by \$115.5 million (M). At the end of FY 2022, the cumulative CPI was improved to 0.87 with four projects below the 0.90 threshold. The cumulative cost variance was decreased by \$12.5M throughout FY 2022. While the improvements in cost control warrant a rating of satisfactory, additional improvement is needed to bring down overall project costs. FRNP revamped their change control process to better track budget matters and report them to DOE on a more regular basis. To support this revamp, FRNP coordinated an Earned Value Management Systems Refresher training course conducted by Humphreys & Associates in March 2022 for Project Managers, Control Account Managers, and Project Controls Specialists, which supports cost control best practices. FRNP is beginning to see the benefits of this training.

Management: The Contractor’s management performance was good. The Contractor met contract requirements and exceeded some to the Government’s benefit. For Option 1 Period, FRNP named and received approval of their “key” personnel, which is the first time in recent years that all key positions have been filled, marking a positive improvement in the Senior Management team. FRNP regularly met with DOE to coordinate media releases, public events, and site visits. For the second year in a row, FRNP successfully coordinated a virtual West Kentucky Regional DOE Science Bowl. In addition to these community outreach efforts, FRNP provided funds as a founding sponsor of the Leadership Center, an initiative of the Paducah Area Chamber of Commerce. The Center was planned and launched in close coordination with FRNP’s Senior Leadership with a mission to enlighten, inspire, and connect a diverse continuum of next level leaders to advance a robust talent pipeline to support existing businesses, future economic development, and community organizations. FRNP views the Leadership Center as a way to train and develop the next-level leaders at the DOE Paducah Site to combat the “great resignation” that started in early 2021. Further, FRNP partnered with United Steel Workers Local 550, to develop Resource Conservation and Recovery Act as well as Radiation Technician training to better educate employees on compliant waste handling practices. FRNP provided support to DOE Portsmouth Site personnel on developing a method to perform nondestructive assay measurements using a robotic pipe crawler, and solicited support from Portsmouth personnel for major Stabilization and Deactivation projects occurring at the Paducah Site. Of note, FRNP relocated Laboratory Operations

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and completed the removal of fissile material from the C-710 Analytical Laboratory, paving the way for future facility downgrade. FRNP continued to evaluate opportunities to recycle, reuse, or disposition excess property to gain efficiencies and incur cost savings or cost avoidances on behalf of DOE. FRNP provided good cooperation to ensure the successful disposition of excess property to the Paducah Area Community Reuse Organization including recycling 26,000 lbs. of aluminum bus works, 45,000 lbs. of copper, and 1,080 capacitors from the C-537 Switchyard Project. FRNP met its FY 2022 goal of shipping 1M pounds of R-114 offsite for disposition and have now shipped 3.1M pounds of the total inventory. In addition to these highlighted projects, FRNP completed projects that support environmental stewardship and sustainability, optimized site utilities, and provided strong community support.

Regulatory Compliance: The Contractor's regulatory compliance performance was good. The Contractor met contract requirements and exceeded some to the Government's benefit. The C-400 RI/FS project was successfully completed ahead of the regulatory required due date marking an important environmental remediation milestone for the Paducah Site. Kentucky Division of Waste Management's Federal Facility Agreement Manager commented publicly at the November 2021 Citizens Advisory Board meeting that FRNP's execution of the C-400 RI/FS project was remarkable; stating that it was a very complex technical project that was implemented very well. FRNP also submitted the C-400 RI/FS Draft Report to DOE as scheduled. Following receipt of regulatory approval of the Remedial Action Work Plan for Southwest Plume, Solid Waste Management Unit 211-A, FRNP procured a remedial action subcontractor, mobilized the subcontractor, and initiated fieldwork in early March 2022 ahead of the schedule requested by EPA. FRNP received one Notice of Violation. The one reported violation represents a decrease in observed noncompliances from recent years. One regulatory investigation and one regulatory inspection performed during the period identified no findings or deficiencies.

Implementation of Business Systems: The Contractor's implementation of business systems was excellent. Overall, the contractor met the contractual requirements and exceeded expectations in many areas. FRNP awarded 66% of their total procurements to small businesses, exceeding their goal of 50%. All six small business goals were met and DOE's Mentor Protégé program objectives were incorporated, fulfilling a commitment from their original proposal. Regarding provisional fringe rate calculations, FRNP received praise from the Office of Cost Estimating (EMCBC) when they stated, "When it comes to timeliness of the submissions of next year's provisional billing rates and the completeness of your submissions.....FRNP is tops." FRNP also achieved 100% accuracy on all invoices (through August 22). Baseline Change Requests (BCRs) were required to align work authorized by contract modifications into the baseline. These BCRs, valued at approximately \$75M, were easily auditable, traceable, and were accurate. Lastly, annually FRNP is audited on their tracking of government facilities and property. Again this year, FRNP received all "Greens" from the DOE assessment team. FRNP maintained compliance with standard business systems, accounting practices, and applicable regulations. FRNP's strong business systems ensure that government dollars are able to be traced and tracked quickly producing cost efficiencies for FRNP and government employees.

FY 2022 Performance Based Incentives Award Fee

Performance Based Incentive Fee Available: \$18,674,894

Base Operations and Remediation (37% of total PBI fee)

PBI 0101-A: Optimize and reduce Surveillance and Maintenance costs by Modifying process facility sprinkler systems to eliminate heat; Disposition of personal property; and Disposition of trailers, sheds, and other structures. ● Met (100%)

PBI 0101-B: Implement and sustain a safe, secure, and effective work environment that is protective of the workers, the public, and the environment by Compiling information for facilities in the Site Management Plan to determine if a Comprehensive Environmental Response, Compensation, and Liability Act action is warranted; Developing an online Solid Waste Management Unit library; Establishing a site-wide chemical inventory system; and completing activities associated with C-400 Remedial Investigation/Feasibility Study fieldwork. ● Met (100%)

PBI 0101-C: Identify and eliminate systems and processes that are no longer necessary and maintain the safe configuration of the facilities by Disposition of uranium hexafluoride in C-310 sodium fluoride traps. ● Partially Met (40%)

Stabilization and Deactivation (63% of total PBI fee)

PBI 0105-A: Support Stabilization and Deactivation of the C-333/C-333A process facility to ultimately allow DOE to defensibly declare the facility criticality incredible and enable downgrade of its hazard category by Removal and disposition of remaining asbestos cell housing panels; Remove, package, and properly disposition all loose process gas equipment (PGE); Characterize all PGE in C-333-A; Characterize, remove, package, and disposition off-site all PGE associated with the cell servicing area and holding drums; Deactivate 18 cells in Units 5 and 6; and Design and construct a material sizing area. ● Partially Met (72%)

Performance Based Incentive Fee Earned: The overall fee awarded based on completion of PBI activities is: **\$15,188,719**