

Award Fee Determination Scorecard

Contractor:	Savannah River Remediation, LLC (SRR)
Contract:	Cost-Plus Award Fee (CPAF)
Contract Number:	DE-AC09-09SR22505
Evaluation Period:	October 1, 2016 – June 30, 2017
Basis of Evaluation:	Performance Evaluation and Measurement Plan (PEMP)
Award Fee Available:	\$ 2,271,886.00
Award Fee Earned:	\$ 2,044,697.40
Incentive Fee Available:	\$12,801,072.93
Incentive Fee Earned:	\$12,420,629.93
Total Fee Available:	\$15,072,958.93
Fee Amount Available for DOE to Make Determination On:	\$15,072,958.93
Fee Amount Earned based on DOE Determination:	\$14,465,327.33
Percentage Fee Earned:	96%

This is a Cost-Plus Award Fee contract as defined by Federal Acquisition Regulations (FAR). Incentive Fee is made available and may be earned for the completion of explicit work results, such as completing a task on time, or for implicit performance in areas of cost, schedule/timeliness, quality, and business relations. Award Fee is made available and may be earned based on subjective assessment of the evaluation period. Total Available Fee for each contract evaluation period is identified in the Performance Evaluation and Measurement Plan (PEMP).

During the evaluation period, October 1, 2016 to June 30, 2017, the fee available in the contract was \$15,072,958.93. Of this amount, \$2,271,886.00 was an award fee. The final determination made on work scope associated with \$14,465,327.33 (96%).

In addition to the other milestones SRR completed this year, the Saltstone Disposal Unit (SDU)-6 was a huge success. In accordance with Performance Evaluation and Measurement Plan (PEMP), Capital Asset Project (CAP) Addendum No. 1, Mod 296, and Contract Section B.2 (e), Savannah River Remediation LLC (SRR) is submitting PEMP Contract Output Milestone SRR-SDU6-02.01 for verification of completed work scope and associated fee incentive. SRR achieved project completion at \$117M and achieved project completion (CD-4). This earned the contractor an additional fee of \$6,041,096.00, as stated in the Project Final Completion Incentive / Claw Back.

Overall cost, schedule, and technical performance requirements of the contract, as defined and measured against the PEMP, have been met for the above evaluation period.

Overall, SRR's performance during the evaluation period was excellent. The contractor

has taken positive steps to improve overall conduct of operations, noted as requiring attention in the last award period. The attachment provides documentation of all areas considered.

Incentive Fee Component:

Contractor work planned, funded, and approved for each fiscal year, resulting in an approved baseline. The baseline work implements strategic decisions relative to Agency and Program initiatives, earning them 97 percent of the award fee available.

Award Fee Component:

The Contractor earned 90 percent of the available award fee, which comprised approximately 15 percent of the total available fee for the evaluation period.

In summary, SRR's management has demonstrated its flexibility in handling significant emergent events and conditions; several were presented over the award period. SRR exhibited superior handling under less than optimal circumstances

SRR's noteworthy positive performance during the period included:

- Overall management of the unanticipated Melter failure. Although individual Performance Based Incentives (PBIs) were awarded for portions of the outage, the overall management effort including coordination with other site contractors, proper establishment of key priorities across the Liquid Waste (LW) program, and keen awareness of employee impacts (such as dose), continue to demonstrate SRR's clear focus on execution of work scope in a manner that best serves the overall LW program and not solely the LW contract.
- Realignment of resources from lesser priority tasks to higher priority tasks even when that resulted in loss of some PBI earnings.
- Although TSR violations are never desirable, the manner in which the management team proactively addressed the situation by implementing a deliberate operations discipline in the affected facilities. Until long-term fixes are implemented, this action has allowed for an improvement in overall performance. SRR's use of corporate reach-back resources and internal review (e.g., causal analyses) demonstrate best practices focused on early and permanent resolution of issues.
- Full execution of a major contract modification to extend the contract by six months due to delays in DOE award of LW follow-on contract. Tremendous preparation and partnership with DOE resulted in a modification, including the establishment of a PEMP, within approximately 60 days.
- Accelerated execution of the SWPF tie-in outage was achieved as a result of the Melter failure. SRR demonstrated nimbleness in operational and outage planning by accelerating the planned major outage by a number of months.

The following two primary areas of concern noted during the current evaluation period:

- There was an increased number of TSR violations caused by operator error during this evaluation period. Four events were reported at DWPF. As compensatory measures, the facility entered a period of deliberate operations per a deliberate operations plan. Implementation of the glycolic acid flowsheet has been less than adequate. While the positive long-term features of a change to the glycolic acid flowsheet are significant, the contractor failed to adequately identify and analyze the potential issues with its implementation until far too late in the process and only then after DOE identified many of those issues.