

U.S. DEPARTMENT OF ENERGY
NATIONAL NUCLEAR SECURITY
ADMINISTRATION
Nevada Operations Office

Performance Evaluation Plan

for
Bechtel Nevada
Contract DE-AC08-96NV11718



Performance Period:
October 1, 2002, through September 30, 2003

Original Signed By Kenneth W. Powers

September 30, 2002

Kenneth W. Powers
Contracting Officer

Date

Part I of II

General Information

**Performance Evaluation Plan
for
Bechtel Nevada
Contract DE-AC08-96NV11718**

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**FY 2003 U.S. DEPARTMENT OF ENERGY
NNSA/NV PERFORMANCE EVALUATION PLAN
BECHTEL NEVADA--CONTRACT NUMBER DE-AC08-96NV11718**

TABLE OF CONTENTS

PART I OF II

	<u>Page</u>
ACRONYMS	1
1.0 INTRODUCTION	1
2.0 REFERENCES	5
3.0 ORGANIZATIONAL STRUCTURE FOR PERFORMANCE FEE ADMINISTRATION	5
4.0 CONTRACTOR SELF-ASSESSMENT	8
5.0 DETERMINING PERFORMANCE FEE	8
6.0 CHANGE CONTROL	14
7.0 BEYOND THE CONTROL/INFLUENCE	15
ATTACHMENTS	
I Performance Evaluation Report Form	18
II Performance Based Incentive Status/Validation Report Form	19
III Performance Evaluation Plan Change Request Form	20

**FY 2003 U.S. DEPARTMENT OF ENERGY
NNSA/NV PERFORMANCE EVALUATION PLAN
BECHTEL NEVADA--CONTRACT NUMBER DE-AC08-96NV11718**

ACRONYMS

AM	Assistant Manager
BN	Bechtel Nevada
CI	Comprehensive Incentive
CPMD	Contracts and Property Management Division
CO	Contracting Officer
ES&H	Environment, Safety, and Health
FDO	Fee Determination Official
FY	Fiscal Year
HCA	Head of Contracting Activity
NNSA	National Nuclear Security Administration
NNSA/HQ	NNSA Headquarters
NNSA/NV	NNSA Nevada Operations Office
PBI	Performance Based Incentive
PCMO	Prime Contracts Management Office
PEP	Performance Evaluation Plan
PER	Performance Evaluation Report
PO	Performance Objective

1.0 INTRODUCTION.

The Performance Evaluation Plan (PEP) defines the National Nuclear Security Administration (NNSA) Nevada Operations Office (NNSA/NV) approach in evaluating, documenting, and providing performance fee to Bechtel Nevada (BN) in accordance with the execution of requirements defined in Contract No. DE-AC08-96NV11718. The fiscal year (FY) 2003 PEP period of performance is October 1, 2002, through September 30, 2003.

The total award fee earned and payable will be determined at the conclusion of the evaluation period by the Fee Determination Official (FDO) within 70 days after the end of the evaluation period, or 60 days after the receipt of the contractor's self-assessment. The fee evaluation period is 12 months, from October 1, 2002, through September 30, 2003. An interim evaluation/validation will be conducted at 6 months.

BN supports the operations and maintenance of the Nevada Test Site and research and development efforts. Because of the nature of this work, NNSA/NV utilizes performance fee consisting of an incentive fee and an award fee component to incentivize and reward BN for performance. The purpose of the FY 2003 PEP is to initiate a fee concept in which BN has the potential to earn 50 percent of the total available fee pool through Performance Based Incentives (PBI), and 50 percent of the total available fee through Award Fee

**FY 2003 U.S. DEPARTMENT OF ENERGY
NNSA/NV PERFORMANCE EVALUATION PLAN
BECHTEL NEVADA--CONTRACT NUMBER DE-AC08-96NV11718**

considerations. Award Fee considerations provide management focus on all other aspects of performance, such as overall management acumen, customer service, problem solving, responsiveness, et al.

NNSA/NV implements performance-based management contracting principles through processes associated with *Strategic Planning, Budget Formulation, Budget Execution, and Performance Evaluation*. These processes are defined in NV Order NVO 450.4X, "Integrated Management Plan" which identifies activities and defines fiscal year recurring work processes associated with planning, budget formulation, budget execution, and evaluation and consolidates them into an annual Integrated Management Plan that ensures appropriate linkage of all processes.

The content of the PEP can be revised through mutual agreement between NNSA/NV and BN and a formal change control process. However, if the parties cannot reach agreement on changes to the PEP, the Contracting Officer (CO) may unilaterally establish changes, providing BN receives notice of the changes at least 30 days prior to the beginning of the performance period or at least 90 days prior to the end of the performance period but at least 30 calendar days prior to the effective date of the change as stated in contract clause I.105, DEAR 970.5215-1 Total Available Fee: Base Fee Amount and Performance Fee Amount.

a. PEP Objectives.

- (1) Provide NNSA/NV with a mechanism to achieve its highest priority objectives.
- (2) Incentivize BN to accomplish NNSA/NV's management and program objectives through the establishment of critical performance objectives (PO), targets, and measures.
- (3) Reward BN with fee commensurate with the achievement of the specific NNSA/NV performance requirements.
- (4) Create an administratively efficient process to assess BN's performance.
- (5) Provide a fair and reasonable basis for determining the amount of fee earned.
- (6) Create a process that ensures BN's work efforts are executed in a manner that provides high-value deliverables to NNSA/NV.

**FY 2003 U.S. DEPARTMENT OF ENERGY
NNSA/NV PERFORMANCE EVALUATION PLAN
BECHTEL NEVADA--CONTRACT NUMBER DE-AC08-96NV11718**

b. Definitions.

- (1) Annual Contract Plan. Prior to the start of each FY, the NNSA/NV CO provides the contractor a scope of work, major milestones, and an annual budget, referred to as the Annual Contract Plan. The contractor uses the Annual Contract Plan as a guide on developing detailed plans, schedules, and cost estimates for the execution year.
- (2) Award Fee. The amount of fee from the available fee pool that is distributed to the contractor based upon a subjective evaluation of the contractor's performance. Award Fees are earned based on qualitative/subjective performance results.
- (3) Comprehensive Incentive (CI). The CI includes one or more POs for work elements basic to operations of the site (business; Environment, Safety, and Health [ES&H]; Safeguards and Security; etc.). Performance Measures and Targets are identified in the incentive to help determine contractor performance against the POs, but the final determination of results is whether performance was satisfactory/unsatisfactory. There are no other gradations of performance determination. A contractor could fail to meet an individual Performance Target tied to the PO, yet still be judged as satisfactory at the PO level. For satisfactorily performing all POs in the CI, the Contractor shall earn 100 percent of the assigned fee. For performance at less than a satisfactory level against one or more POs in the CI, the earned fee shall be adjusted downward at the discretion of the FDO.
- (4) Executive Council. For the purpose of this PEP, NNSA/NV senior management chartered with recommending BN earned fee to the FDO.
- (5) Expected Performance Level. Meets agreed upon requirements and POs.
- (6) Fee Determination Official. The final authority in determination of fee award to BN.
- (7) Incentive Fee. The objective fee component of Performance Fee. Incentive Fees are earned based on quantitative/objective performance results such as technical performance, schedule or cost.
- (8) Performance Based Incentives. A reward or consequence that may be employed to motivate a contractor to achieve specific performance levels of a requirement that is well defined, quantified and described.

**FY 2003 U.S. DEPARTMENT OF ENERGY
NNSA/NV PERFORMANCE EVALUATION PLAN
BECHTEL NEVADA--CONTRACT NUMBER DE-AC08-96NV11718**

- (9) Performance Evaluation Plan. A plan that defines an approach in evaluating, documenting, and providing performance fee against specified PBIs and Award Fee considerations.
- (10) Performance Evaluation Review Committee. The forum established to draft the BN Performance Evaluation Report (PER).
- (11) Performance Evaluation Report. A report that summarizes NNSA/NV's evaluation of BN's performance.
- (12) Performance Fee. Fee for incentivizing superior performance which consists of both objective and subjective components; i.e., Incentive Fee and Award Fee.
- (13) Performance Measure. A quantitative or qualitative method for characterizing performance.
- (14) Performance Objective. A statement of desired results from an organization or activity.
- (15) Performance Period. The specific period for which the NNSA/NV Executive Council evaluates BN's overall performance; October 1 through September 30.
- (16) Performance Target. The desired condition or target level of achievement for each measure, established at an appropriately detailed level that can be tracked and used for a judgement or decision on performance assessment. The following is an example of a PO, Measure and Target for a site:

Performance Objective: Provide effective management of facility space.

Performance Measure: Reduction of the site's facility footprint.

Performance Target: Reduce facility footprint by 10 percent.
- (17) Scorecard. Document identifying POs, measures, and targets. Also included in the score card are milestones, deliverables, dates, fee, etc., for each performance measure.
- (18) Task Plan. The execution year baseline that serves as the agreement between BN and NNSA/NV Task Plan Managers to perform a specific scope of work.

**FY 2003 U.S. DEPARTMENT OF ENERGY
NNSA/NV PERFORMANCE EVALUATION PLAN
BECHTEL NEVADA--CONTRACT NUMBER DE-AC08-96NV11718**

2.0 REFERENCES.

Manual, NV M 210.X, CONTRACTOR PERFORMANCE ADMINISTRATION, dated August 22, 2000.

Manual, NV M 410.XA, TASK PLAN AND CHANGE CONTROL PROCESS, dated August 22, 2000.

U.S. Department of Energy Nevada Operations Office Contract with BN for Management and Operating Support for the Nevada Operations Office; Contract DE-AC08-96NV11718.

3.0 ORGANIZATIONAL STRUCTURE FOR PERFORMANCE FEE ADMINISTRATION.

The effectiveness of this PEP requires the establishment of close working relationships between NNSA/NV, NNSA Headquarters (NNSA/HQ), the National Laboratories, other stakeholders, and BN because all entities are responsible for successful implementation of the plan and successful completion of NNSA/NV's significant management and program objectives. The roles and responsibilities of key personnel are as follows:

a. NNSA/HQ.

- Serves as FDO.
- Designated as Head of Contracting Activity (HCA).
- Provides program management and planning objectives.
- Reviews and comments on proposed PBIs and award fee.
- Reviews, evaluates and provides an assessment of BN's incentive fee and award fee performance.

b. NNSA/NV.

(1) NNSA/NV Manager.

- Chairs the NNSA/NV Executive Council.
- Provides program management and planning objectives.
- Briefs NNSA/HQ on NNSA/NV-recommended fee position.
- Notifies contractor, in writing, of the amount of fee earned and payable and the basis for the fee determination.
- Transmits the PEP to NNSA/HQ for final review.

**FY 2003 U.S. DEPARTMENT OF ENERGY
NNSA/NV PERFORMANCE EVALUATION PLAN
BECHTEL NEVADA--CONTRACT NUMBER DE-AC08-96NV11718**

- (2) NNSA Management Council.
- Integrates and collaborates with NNSA field offices.
 - Reviews all Field Element final performance evaluations.
 - Ensures final evaluations and fee awards are fair across the complex.
 - Recommends decision to the HCA/FDO on each PER and fee award.
- (3) NNSA/NV Executive Council.
- Provides input, reviews and concurs on the PEP.
 - Reviews BN performance on an annual basis and upon completion of discrete incentive targets.
 - Convenes to evaluate BN's overall annual performance and recommend fee earned to the NNSA/NV Manager.
- (4) Assistant Managers (AM).
- Serve as a member of the NNSA/NV Executive Council.
 - Conduct monthly meetings with BN counterparts to discuss performance progress and achievements.
 - Assign responsibilities to NNSA/NV Division Directors to monitor, evaluate progress and validate completion of PBIs and performance of Award Fee Special Emphasis Area targets.
 - Select Performance Evaluation and Review Committee Members to draft the PER.
 - Review all PBIs and Award Fee POs to be included in the PEP.
- (5) Contracting Officer.
- Approves the PEP.
 - Provides input, reviews, and concurs on the PEP PBIs and Award Fee expectations to achieve NNSA/NV management and program requirements.
 - Approves the payment of earned fee.
 - Approves the PEP Change Requests.
- (6) Division Directors.
- Draft Award Fee POs and targets for AM review.
 - Draft PBIs, targets, and measures for AM review.
 - Negotiate PBI objectives, targets, measures and fee allocations with the contractor.

**FY 2003 U.S. DEPARTMENT OF ENERGY
NNSA/NV PERFORMANCE EVALUATION PLAN
BECHTEL NEVADA--CONTRACT NUMBER DE-AC08-96NV11718**

- Serve as performance evaluators to monitor, evaluate progress and assess the contractor's performance against the targets detailed in the PBIs and Award Fee scorecards contained in the PEP.
 - Validate contractor's performance as it relates to the targets detailed in the PBIs and Award Fee scorecards contained in the PEP.
 - Provide assessment on performance measures to the responsible AM.
 - Initiate PEP Change Requests.
 - Conduct monthly meetings with BN counterparts to discuss performance progress and achievements.
- (7) Financial Services Division.
- Validates contractor's cost performance as it relates to targets detailed in the PBI scorecards contained in the PEP.
- (8) Contracts and Property Management Division (CPMD).
- Provides overall guidance and administration oversight of the process for development, approval, change control, performance monitoring, performance validation, performance reporting, fee determination and payment of fees related to PBIs and Award Fee.
 - Issues call letters for draft POs, measures, and targets for FY PEP.
 - Submits draft PEP to NNSA/NV, NNSA/HQ, and BN for review and comment.
 - Consolidates, coordinates, and incorporates comments on the PEP.
 - Obtains appropriate concurrence and approvals of the PEP.
 - Issues call letter to NNSA/NV and NNSA/HQ for input to BN's award fee assessment.
 - Coordinates review meetings with NNSA/NV senior management to discuss BN's progress and performance.
 - Coordinates training for participants in the performance fee process.
- c. BN General Manager.
- Partners with NNSA/NV management to establish a working relationship that enables production of high value deliverables.
 - Supports the development of the PEP and enhances the process through the sharing of best practices and lessons learned.
 - Assigns responsibilities to BN Assistant General Managers for achievement of performance measures and targets.

**FY 2003 U.S. DEPARTMENT OF ENERGY
NNSA/NV PERFORMANCE EVALUATION PLAN
BECHTEL NEVADA--CONTRACT NUMBER DE-AC08-96NV11718**

- Participates in semi-annual meetings with NNSA/NV senior management to discuss BN's performance.
- Partners with NNSA/NV management to conduct monthly meetings to discuss BN's performance progress and achievements.

d. National Laboratories and Other Stakeholders.

- Provide program POs and targets to the responsible NNSA/NV AM for consideration in developing the PEP.
- Evaluate and provide input on achievement of PBIs and Award Fee targets to the responsible NNSA/NV AM for consideration in BN's overall performance.

4.0 CONTRACTOR SELF-ASSESSMENT.

Following each evaluation period, the Contractor will submit a self-assessment, provided such assessment is submitted within 30 calendar days after the end of the period. An interim self-assessment should be submitted at mid-year. This self-assessment shall address both the strengths and weaknesses of the Contractor's performance during the evaluation period. Where deficiencies in performance are noted, the Contractor shall describe actions planned or taken to correct such deficiencies and avoid their recurrence. A copy of the contractor's self-assessment is provided to each AM and is considered during the evaluation process. The NNSA/NV Executive Council will review the Contractor's performance and management during the period.

5.0 DETERMINING PERFORMANCE FEE.

The FY 2003 PEP includes 16 PBI scorecards and 6 Award Fee scorecards. A Summary of FY 2003 Performance Measures and Fee Weight Distribution is shown in Part II. The targets and measures set forth within the PBIs and Award Fee areas will be the primary means for evaluation of BN's performance. However, as stated in contract clause I.122, DEAR 970.5215-3, Conditional Payment of Fee, Profit or Incentives, the NNSA/NV Manager, or designee will consider any other information available which relates to BN's performance of all other contract requirements as set forth in the Statement of Work, as amended to include the current Annual Contract Plan or similar documents in the final determination of fee earned.

a. Development of Performance Measures.

(1) Performance Based Incentives.

Based on NNSA/NV's strategic vision and NNSA/HQ program management and

**FY 2003 U.S. DEPARTMENT OF ENERGY
NNSA/NV PERFORMANCE EVALUATION PLAN
BECHTEL NEVADA--CONTRACT NUMBER DE-AC08-96NV11718**

planning objectives, the Executive Council develops and documents draft POs, performance targets, and performance measures. To ensure a broad representation of input to the development process, each AM defines significant strategic initiatives within their respective organizations as proposed POs, targets and measures. The National Laboratories and other stakeholders also provide input through the responsible AM. Once the proposed POs, targets and measures have been identified, NNSA/NV Senior Management and NNSA/HQ Principle Secretarial Office Representatives takes into consideration the various initiatives and then determines the proposed critical few PBIs needed to achieve critical management and POs. The rationale for selection of the proposed PBIs are documented and proposed fee weights are assigned by Executive Council.

It is anticipated that no more than 15 PBIs will be identified as the critical few. Considerations in the development of the critical few PBIs and the fee weights include the following:

- Relationship to NNSA/NV's Strategic Plan.
- Programmatic Issues and Concerns.
- Desired Changes in Contractor Culture.
- Work Scope Estimated Cost versus Proposed Fee and Weight.
- Customer Expectations.
- Challenging Targets.

(2) Award Fee Areas.

The NNSA/NV Executive Council develops and documents the draft Award Fee. Award Fee is earned based on qualitative/subjective performance results. Award Fee consists of the following two areas: POs or CIs.

(a) Award Fee POs

An Award Fee PO is a statement of the desired outcome for the organization or activity, and represents the subjective portion of the performance fee. The performance target for a PO is the desired condition or target level of performance for each objective. There are five award fee POs included in the FY 2003 PEP.

(b) Award Fee CIs

The CI covers work elements basic to operations of the site, such as business, ES&H, and safeguards and security. The CI sets forth several relatively

**FY 2003 U.S. DEPARTMENT OF ENERGY
NNSA/NV PERFORMANCE EVALUATION PLAN
BECHTEL NEVADA--CONTRACT NUMBER DE-AC08-96NV11718**

specific POs with underlying Performance Targets. To ensure a broad representation of input, each AM defines the POs and targets for the basic site operations under their respective purview. The FY 2003 PEP includes one CI scorecard with three subsets--Project Management, Business Management, and Safe and Secure Operations.

(3) Approval of Performance Measures.

The NNSA/NV Executive Council reviews and recommends approval of the POs, measures, and targets identified in the PBIs scorecards and the Award Fee Area scorecards. The NNSA/NV Manager transmits the PEP to NNSA/HQ for review and concurrence. The CO approves the PEP. Once approved and signed by the CO, the PEP is issued to the contractor.

(4) Monitoring Performance.

The NNSA/NV Executive Council will implement the PEP, monitor performance and assess BN's performance against the objectives and targets detailed in the PBIs and Award Fee Areas contained in the PEP. The NNSA/NV Executive Council membership is as follows:

Chairman	Manager
CO	Deputy Manager
Member	Deputy Manager for Test and Operations
Member	AM National Security
Member	AM Environmental Management
Member	AM Technical Services
Member	AM Business and Financial Services
Member	Chief Counsel

b. Method for Determining Fee.

(1) Award Fee.

Evaluation of Award Fee includes but is not limited to Award Fee POs and Award Fee CI Areas. Award Fee also recognizes all other contract efforts not given incentive fee consideration. This includes but is not limited to Changes in Key Personnel; Management Practices; Communication; Customer Service and Organizational Management. Consideration will also be given to complete and accurate technical information/products delivered in mutually agreed time frames that meet all applicable codes, standards, rules, regulations and orders.

**FY 2003 U.S. DEPARTMENT OF ENERGY
NNSA/NV PERFORMANCE EVALUATION PLAN
BECHTEL NEVADA--CONTRACT NUMBER DE-AC08-96NV11718**

The evaluation of the Contractor's performance, the determination with respect to the entitlement of award fee or the amount thereof by the FDO, and implementation thereof by contract amendment shall be final and is not subject to the "Disputes" clause of this contract. The following process will be used to determine award fee:

- (a) Within 20 days after the end of the performance period, each NNSA/NV AM will evaluate BN's overall annual performance for their individual area(s) of assigned responsibility. This evaluation is documented on the PER Form shown as Attachment I of Part I.
- (b) Within 30 calendar days after the end of the performance period, BN may provide NNSA/NV with a self-assessment of performance against award fee considerations.
- (c) Within approximately 30 days after the end of the performance period, the Performance Evaluation Review Committee compiles a draft PER based on each AM's performance evaluation.
- (d) Within approximately 35 days after the end of the performing period, the NNSA/NV Executive Council convenes to evaluate BN's overall performance, finalize the PER and provide a recommended Award Fee earned position to the FDO.
- (e) Within approximately 37 days after the end of the performance period, NNSA/NV will provide a draft of the PER, excluding proposed fee earned, to the BN General Manager for factual review.
- (f) Within 3 working days after receipt of the draft PER, BN will provide comments to the Executive Council for consideration.
- (g) Within 45 days after the end of the performance period, the NNSA/NV Manager will brief the NNSA Management Council on NNSA/NV's recommended fee position.
- (h) Within 5 days after the Fee Review briefing, NNSA will provide NNSA/NV with a fee determination.
- (i) Within 70 days after the end of the performance period, the NNSA/NV Manager will inform the BN General Manager, in writing, of the determination as to the amount of fee earned, and authorize BN to draw

**FY 2003 U.S. DEPARTMENT OF ENERGY
 NNSA/NV PERFORMANCE EVALUATION PLAN
 BECHTEL NEVADA--CONTRACT NUMBER DE-AC08-96NV11718**

down earned fee. If determinations are delayed beyond 60 calendar days after the receipt by the CO of BN's self-assessment or 70 days after the end of the evaluation period, whichever is later, the Contractor shall be entitled to interest on the determined total available fee amount earned in accordance with contract clause I.105, DEAR 970.5215-1 Total Available Fee: Base Fee Amount and Performance Fee Amount.

(j) Award Fee Calculations

In evaluating performance against Award Fee POs the NNSA Executive Council will use the following grading scale to determine the overall grade and associated percentage of award fee earned. For purposes of Award Fee considerations, the term "significant" will indicate a major event or sustained level of performance which, due to its importance, has a substantial impact on capabilities. The term "notable" will indicate an event or sustained level of performance which is of lesser importance than a "significant" event, but still deserves some recognition.

1 Performance Objectives

<u>Award Fee Score</u>	<u>% Fee Earned</u>	
A	90%--100%	Performance substantially exceeds expected levels. Several significant or notable achievements exist. No notable areas requiring improvement.
B	60%--89%	Performance exceeds expected levels. Some notable achievements exist. Although some notable areas requiring improvement exist, no significant areas requiring improvement exist.
C	30%--59%	Performance meets expected levels. Minimum standards are exceeded and "good practices" are evident. Notable achievements or notable areas requiring improvement may or may not exist.
D	01%--29%	Performance is less than expected. No notable achievements exist, however, some notable areas requiring improvements exist, or notable achievements exist but are offset by significant or notable areas requiring improvements.

**FY 2003 U.S. DEPARTMENT OF ENERGY
NNSA/NV PERFORMANCE EVALUATION PLAN
BECHTEL NEVADA--CONTRACT NUMBER DE-AC08-96NV11718**

E	0%	Performance is below minimum acceptable levels. Significant areas requiring improvement exists causing severe impacts on mission capabilities. Performance at this level in any PEP PBIs or Award Fee consideration area may result in a decision by the NNSA/NV Manager to withhold award fee.
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2 Comprehensive Incentives

There are no other gradations of performance determination beside satisfactory or unsatisfactory. A Contractor could fail to meet an individual Performance Target tied to the PO, yet still be judged as satisfactory at the PO level. For satisfactorily performing all POs in the CI, the Contractor shall earn 100 percent of the available fee assigned to the scorecard. For performance at less than a satisfactory level against one or more POs in the CI, the earned fee shall be adjusted downward at the discretion of the FDO.

(2) PBI Fee.

Payments of fee earned for PBIs will occur upon successful completion of discrete incentive targets, receipt of BN's "Request for Payment of Performance Based Incentive" and receipt of the applicable AM's "Performance Based Incentive Validation Form." NNSA/NV will authorize payment of fee based on the process described below.

Any disagreement between NNSA/NV and BN regarding successful accomplishment of performance measures and targets will be reviewed by a panel consisting of the responsible NNSA/NV Line Manager, BN Line Manager, NNSA/NV AM and BN Deputy General Manager. If an agreement within the panel cannot be reached, the NNSA/NV Manager and BN General Manager will review the matter with a final determination made by the NNSA/NV Manager.

The following process will be used to determine PBI fee earned:

- (a) Upon completion of a discrete incentive expectation, BN submits to CPMD their "Request for Payment of Performance Based Incentive."

**FY 2003 U.S. DEPARTMENT OF ENERGY
NNSA/NV PERFORMANCE EVALUATION PLAN
BECHTEL NEVADA--CONTRACT NUMBER DE-AC08-96NV11718**

- (b) Upon receipt of BN's "Request for Payment of Performance Based Incentive," CPMD forwards a copy of the request to the applicable AM organization for validation.
- (c) Within 14 days after receipt of BN's "Request for Payment of Performance Based Incentive," the applicable AM organization submits their "Performance Based Incentive Validation Form (Attachment II of Part I)" along with appropriate documentation to CPMD.
- (d) Upon receipt of the "Performance Based Incentive Validation Form," CPMD prepares a letter for CO signature that notifies BN that the applicable AM organization has either accepted completion and the amount of fee earned or why acceptance of completion was declined.

6.0 CHANGE CONTROL.

The content of the PEP can be revised through mutual agreement between NNSA/NV and BN and a formal change control process. Changes to the PEP can only be made upon approval of the CO. The change control process also applies to new POs or targets proposed during the performance period and changes made to Task Plan milestones, in accordance with NV M410.XA, Task Plan Change Control Process, that are incentivized in the PEP. The NNSA/NV AM organization responsible for monitoring performance must initiate the change using the following change control process:

a. Initiate the Change.

The AM organization responsible for performance monitoring initiates the change using the PEP Change Request Form, shown as Attachment III, Part I. Changes that affect another NNSA/NV AM's performance area, require review and concurrence by the affected organization. Any proposed Change Request received that will be processed within 35 days prior to the end of the performance period, has to be coordinated with the CO prior to contractor concurrence.

b. Document the Change.

Identify the performance measure to be changed:

- Detail the reason for the change.
- Describe the nature and extent of the change.
- Discuss impacts of the change to Scope, Schedule, Cost, and Fee Allocation.
- Describe proposed comparable performance alternatives and discuss why they are deemed comparable, if applicable.

**FY 2003 U.S. DEPARTMENT OF ENERGY
NNSA/NV PERFORMANCE EVALUATION PLAN
BECHTEL NEVADA--CONTRACT NUMBER DE-AC08-96NV11718**

c. Contractor Concurrence.

To ensure all affected parties understand the impacts and concur with the change, documentation of concurrence by the BN organization responsible for performance is required on the PEP Change Request Form.

d. CPMD Review.

To ensure the contractor has the opportunity to earn the negotiated performance fee the following criteria must be met:

- The proposed alternative is a comparable replacement expectation.
- The proposed alternative is achievable within the performance period; however, the majority of the work has not already been accomplished.
- The change is in accordance with contractual requirements.

All changes are reviewed by CPMD.

e. Revise Scorecard.

A “scorecard” has been developed for each performance measure and is official documentation of POs, targets, and measures. CPMD retains configuration control of the performance measure scorecards and will produce a revised scorecard based on the information provided in the change control form. The revised scorecard will be forwarded to the BN Prime Contracts Management Office (PCMO) to facilitate BN concurrence. BN PCMO will return the signed scorecard to CPMD who will forward the scorecard to the initiator for NNSA/NV AM concurrence.

f. CO Approval.

Changes to the PEP can only be made upon approval of the CO.

g. Distribution.

An informational copy of the revised scorecard is provided to members of the Executive Council, the initiating organization and the Contractor. Revised scorecards supersede the original and become effective upon CO approval. CPMD will retain the original of the revised scorecard for the contract file.

7.0 BEYOND THE CONTROL/INFLUENCE.

There are certain instances when changes to program mission, milestones and or requirements may be beyond the control/influence of either NNSA/NV or BN. The

**FY 2003 U.S. DEPARTMENT OF ENERGY
NNSA/NV PERFORMANCE EVALUATION PLAN
BECHTEL NEVADA--CONTRACT NUMBER DE-AC08-96NV11718**

contractor will not be held responsible for delays in completion of expected milestones that are beyond its control or influence. Some examples may include reprioritization of funding or other priorities by NNSA/HQ or the NNSA/NV program office, acts of nature and delays by individuals other than the Contractor. In such cases, NNSA/NV can propose comparable performance alternatives that are commensurate in value and complexity or defer fee until performance against the milestone had been completed.

When delays are within the contractor's control or influence, assessment of the contractor's performance will be in accordance with the performance targets, performance measures and earnings schedule detailed in the PEP, to include consideration of the performance delay. Examples of instances within the contractor's control or influence are quality and completeness of the documents submitted and quality, completeness and timeliness of the contractor's response to questions/concerns/issues with documents submitted.

Attachments

**FY 2003 U.S. DEPARTMENT OF ENERGY
 NNSA/NV PERFORMANCE EVALUATION PLAN
 BECHTEL NEVADA--CONTRACT NUMBER DE-AC08-96NV11718**

ATTACHMENT II

FY 2003 NNSA/NV PERFORMANCE EVALUATION PLAN BECHTEL NEVADA--CONTRACT NUMBER DE-AC08-96NV11718 PERFORMANCE BASED INCENTIVE STATUS/VALIDATION REPORT AS OF _____			
PBI/PO Scorecard No.		Available Fee	
PBI/PO Title/Description		Fee Earned	
Performance Objective:			
Performance Measure:			
Target _____:			
STATUS			
Met Targets in the PEP have been met.		On Schedule Performance is on schedule to achieve targets in the PEP.	
		Concerned Performance indicates targets in the PEP will not be met.	
VALIDATION OF COMPLETION (<i>Performance Monitor to provide a brief description of the method used to validate completion of Performance Measure/Expectation</i>)			
COMMENTS			
Performance Status for Period Ending _____			
_____ NNSA/NV Office/ Division Director		_____ Date	

**FY 2003 U.S. DEPARTMENT OF ENERGY
 NNSA/NV PERFORMANCE EVALUATION PLAN
 BECHTEL NEVADA--CONTRACT NUMBER DE-AC08-96NV11718**

ATTACHMENT III

NNSA/NV PERFORMANCE EVALUATION PLAN CHANGE REQUEST FORM	
PBI/PO/CI No.	PBI/PO/CI Title
1. DOCUMENT CHANGE	
1.1 Reason for Change	
1.2 Description of Change	
1.3 Impacts of Change <i>(Discuss impacts of the change to Scope, Schedule, Cost, Fee Allocation, describe proposed comparable performance alternatives and discuss why they are deemed comparable.)</i>	
2. CONCURRENCE	
2.1 NNSA/NV Initiator	Date
2.2 NNSA/NV Division Director	Date
2.3 BN Program Office Concurrence	Date
<i>ATTACH SUPPORTING DOCUMENTATION AND FORWARD TO CPMD</i>	
3. CPMD REVIEW	INITIALS
	DATE
3.1 Comments	
4. SCORECARD REVISED	
4.1 Date Scorecard Revised	4.2 Date to BN PCM
4.3 Date From BN PCM	4.4 Date to Initiator for AM Signature
5. DATE REVISED SCORECARD SIGNED BY CONTRACTING OFFICER	

Part II of II

Performance Based Incentives (PBIs) and
Award Fee Area Scorecards

Performance Evaluation Plan
for
Bechtel Nevada
Contract DE-AC08-96NV11718

Performance Period:
October 1, 2002, through September 30, 2003

**FY 2003 U.S. DEPARTMENT OF ENERGY
NNSA/NV PERFORMANCE EVALUATION PLAN
BECHTEL NEVADA--CONTRACT NUMBER DE-AC08-96NV11718**

TABLE OF CONTENTS

PART II OF II

	<u>Page</u>
Summary of Fee Allocation by Incentive/Award Fee Area	1
PERFORMANCE BASED INCENTIVE AND AWARD FEE AREA SCORECARDS	
<u>MANAGEMENT</u>	
Management Scorecard Summary	2
General Management	3
Self Assessment Program	5
<u>MISSION</u>	
Mission Scorecard Summary	10
Subcritical Experiment--LLNL	11
Subcritical Experiment--LANL	14
Atlas Relocation and Operation	17
JASPER Experiments	20
Technology Development and Deployment	22
UGT Readiness	25
Combating Terrorism	27
National Security Response Program	30
Emergency Management Assessments	35
Regulatory Milestones	38
Area 3 Document Safety Analysis	43
Hydrogeologic Wells	48
TRU/MTRU Waste Operations	52
Environmental Management Activities	54
Enhance National Security Capabilities	58
<u>OPERATIONS</u>	
Operations Scorecard Summary	62
Comprehensive Incentive	63
Asset Management	67
Facility Construction-RTBF	73
Facility & Infrastructure Construction	77
Nuclear Operations Safety Management Readiness	83

**FY 2003 U.S. DEPARTMENT OF ENERGY
NNSA/NV PERFORMANCE EVALUATION PLAN
BECHTEL NEVADA--CONTRACT NUMBER DE-AC08-96NV11718**

SUMMARY OF FEE ALLOCATION BY INCENTIVE/AWARD FEE AREA

	<u>FEE WEIGHT</u>	<u>FEE ALLOCATION</u>
<u>PERFORMANCE BASED INCENTIVE SCORECARDS</u>	50%	\$12,300,000
Subcritical Experiments - LLNL	5%	\$1,230,000
Subcritical Experiments - LANL	6.5%	\$1,599,000
Atlas Relocation and Operations	4%	\$984,000
JASPER Experiments	4%	\$984,000
Technology Development and Deployment	4%	\$984,000
UGT Readiness	3%	\$738,000
Combating Terrorism	3%	\$738,000
National Security Response Program	4.5%	\$1,107,000
Emergency Management Assessments	2%	\$492,000
Regulatory Milestones	2%	\$492,000
Area 3 DSA	2%	\$492,000
Hydrogeologic Wells	3%	\$738,000
TRU/MTRU Waste Operations	2%	\$492,000
Asset Management	2%	\$492,000
Facility Construction - RTBF	1%	\$246,000
Facility & Infrastructure Construction	2%	\$492,000
<u>AWARD FEE SCORECARDS</u>	50%	\$12,300,000
Self-Assessment Program	5%	\$1,230,000
Comprehensive Incentive	25%	\$6,150,000
General Management	10%	\$2,460,000
Environmental Management Activities	3%	\$738,000
Enhance National Security Capabilities	2%	\$492,000
Nuclear Operations Safety Management Readiness	5%	\$1,230,000

**FY 2003 U.S. DEPARTMENT OF ENERGY
 NNSA/NV PERFORMANCE EVALUATION PLAN
 BECHTEL NEVADA--CONTRACT NUMBER DE-AC08-96NV11718**

MANAGEMENT SECTION

	<u>FEE WEIGHT</u>	<u>FEE ALLOCATION</u>
<u>PERFORMANCE CATEGORY: MANAGEMENT</u>	15%	\$3,690,000
MGT03A-01 General Management 1. Business Development 2. Strategic Planning 3. Enhance Working Relationships 4. Enhance Business Management Systems 5. Fast Track Application of Design Build	10%	\$2,460,000
MGT03A-02 Self-Assessment Program	5%	\$1,230,000

**FY 2003 U.S. DEPARTMENT OF ENERGY
 NNSA/NV PERFORMANCE EVALUATION PLAN
 BECHTEL NEVADA--CONTRACT NUMBER DE-AC08-96NV11718
 SCORECARD NO. MGT03A-01
 GENERAL MANAGEMENT**

SECTION I - GENERAL INFORMATION	
1a. PO Title: General Management PO Number: MGT03A-01 Revision Number: Revision 0 Date: 9/26/02	1b. Performance Area: Management
SECTION II - ACCOUNTING INFORMATION	
2a. Initial Budgeted Cost of Work Scheduled : _____	2b. Total Fee Allocated: \$2,460,000
SECTION III - PERFORMANCE OBJECTIVE, MEASURE AND TARGET	
3a. <u>Performance Objective/Target - Business Development</u>	
A. Seek to expand on-going Work for Others activities, as well as seeking out opportunities in complimentary business lines.	
<u>Performance Objective/Target - Strategic Planning</u>	
B. Partner with NNSA/NV, the National Laboratories, and other Nevada Test Site (NTS) users to achieve NNSA/NV strategic objectives.	
<u>Performance Objective/Target - Enhance Working Relationships</u>	
C. Optimize working relationships among NNSA/NV, the National Laboratories and all other NTS users.	
<u>Performance Objective/Target - Enhance Business Management Systems</u>	
D. Enhance business management systems to ensure effective and efficient conduct of business activities.	
1. Reduce, with the goal of eliminating customer concerns associated with Bechtel Nevada (BN) cost estimates by improving the practices and processes used to develop and communicate estimates to include instituting formalized change control processes.	
2. Reduce the cost of doing business at the NTS by identifying and implementing efficiency and "hard" dollar cost reduction initiatives while maintaining acceptable levels of customer service.	
3. Aggressively pursue the identification and evaluation of outsourcing opportunities.	

**FY 2003 U.S. DEPARTMENT OF ENERGY
NNSA/NV PERFORMANCE EVALUATION PLAN
BECHTEL NEVADA--CONTRACT NUMBER DE-AC08-96NV11718
SCORECARD NO. MGT03A-01
GENERAL MANAGEMENT**

Performance Objective/Target - Fast Track Application of Design-Build

- E. Apply the design-build acquisition model to appropriate construction projects. BN shall perform a search for Nevada-based firms that are capable and willing to perform work under a design-build model at the NTS. Following the search, BN will negotiate a percentage target with the NNSA/NV Primary Point of Contact for planned FY 2003 construction projects to be let as design-build subcontracts. BN will then be expected to award subcontracts in accordance with the target.

3b. Completion/Validation

Performance Objectives (POs) will be evaluated on an annual basis. Evaluation of POs is not limited to the specific objective/targets. POs also recognize all the contract efforts not given incentive fee consideration.

3c. Definitions/Clarifications

The evaluation of the Contractor's performance, the determination with respect to the entitlement of award fee or the amount thereof by the Fee Determination Official, and implementation thereof by the contract amendment shall be final and is not subject to the "Disputes" clause of this contract.

**FY 2003 U.S. DEPARTMENT OF ENERGY
 NNSA/NV PERFORMANCE EVALUATION PLAN
 BECHTEL NEVADA--CONTRACT NUMBER DE-AC08-96NV11718
 SCORECARD NO. MGT03A-02
 SELF-ASSESSMENT PROGRAM**

SECTION I - GENERAL INFORMATION	
1a. PO Title: Self-Assessment Program PO Number: MGT03A-02 Revision Number: Revision 0 Date: 9/26/02	1b. Performance Area: Management
SECTION II - ACCOUNTING INFORMATION	
2a. Initial Budgeted Cost of Work Scheduled : _____	2b. Total Fee Allocated: \$1,230,000
SECTION III - PERFORMANCE OBJECTIVE, MEASURE AND TARGET	
3a. <u>Performance Objective</u> - Self Assessment Ensure that the BN self assessment effort becomes increasingly more effective as a means of continuous improvement regarding implementation of the BN Integrated Safety Management Systems (ISMS). A viable and strong self assessment program will be developed, maintained, and periodically evaluated from the standpoint of developing an effective feedback and improvement process.	
3b. <u>Performance Measure</u> A. Develop, document, and maintain, in a Process Description (PD), a BN Self Assessment (SA) Program based on hazards and risks at the facility level, and incorporating an effective and demonstrable feedback and improvement process. <u>Performance Target</u> A. Revise the PD for Self Assessment Process by October 30, 2002 to focus the Self Assessment effort in facilities/activities that involve high hazard and risk to the workers, the public, and the environment.	
<u>Performance Measure</u> B. Complete and document all planned Self Assessments according to the new PD. <u>Performance Target</u> B. Satisfactorily complete and document all planned Self Assessments, as identified in items F and G below, by 9/30/03.	

**FY 2003 U.S. DEPARTMENT OF ENERGY
NNSA/NV PERFORMANCE EVALUATION PLAN
BECHTEL NEVADA--CONTRACT NUMBER DE-AC08-96NV11718
SCORECARD NO. MGT03A-02
SELF-ASSESSMENT PROGRAM**

Performance Measure

- C. Identify the issues of greater importance to the maintenance of integrated safety management. Identified corrective actions and closure status will be transmitted to NNSA/NV.

Performance Target

- C. Trend issues identified in the Self Assessments and complete all corrective actions in a timely manner. The Self Assessment findings will be tracked in a database and will be forwarded to NNSA for review only. Provide a status of all Corrective Actions on a basis to be determined by the Independent Oversight Division (IOD).

Performance Measure

- D. Inform the assigned Project Manager and Facility Representative of upcoming Self Assessments in those buildings/area prior to conducting a SA review.

Performance Target

- D. Inform and document that the assigned Project Manager and Facility Representative (FR) are aware of upcoming Self Assessments in the FR's area prior to conducting a SA review

Performance Measure

- E. Provide a justification for the topical areas in the SA based on the relative risk of facilities and/or activities, previous findings/deficiencies identified by both internal and external reviews and assessments, and other inputs from the feedback and improvement process.

Performance Target

- E. Prepare and submit a schedule of twelve management assessments to NNSA/NV by October 31, 2002 that identifies the facilities and/or activities whose implementation of the BN ISMS will be assessed by June 30, 2003. The justification for selection of the twelve facilities and/or activities will accompany the schedule.

Performance Measure

- F. Begin to baseline all functional areas through the Self Assessment Program by providing one assessment, on average, per month to NNSA. A Self Assessment Schedule will be developed and documented by BN which will describe what the topical areas are for each month.

Performance Target

- F. Prepare and submit a schedule of independent assessments to NNSA/NV by October 31, 2002, that identifies four of the twelve facilities and/or activities whose implementation of the BN ISMS will be assessed from an independent standpoint.

**FY 2003 U.S. DEPARTMENT OF ENERGY
NNSA/NV PERFORMANCE EVALUATION PLAN
BECHTEL NEVADA--CONTRACT NUMBER DE-AC08-96NV11718
SCORECARD NO. MGT03A-02
SELF-ASSESSMENT PROGRAM**

Performance Measure

G. BN Self Assessment Process will be conducted using appropriate criteria, review processes, and forms to document the outcome of the assessment.

Performance Target

G. Develop and conduct Self Assessments using appropriate criteria, review processes, and forms to document the outcome of the assessment.

Performance Measure

H. The caWeb issues tracking system implemented on October 1, 2002, will be fully operational, integrated with NV and populated with existing and new BN data by December 20, 2002.

Performance Target

H. The caWeb issues tracking system implemented on October 1, 2002, will be fully operational, integrated with NV and populated with existing and new BN data by December 20, 2002.

Performance Measure

I. Perform a self-assessment to validate the effectiveness of the caWeb issues tracking system as of March 31, 2003. Assessment results should be provided to NV by April 30, 2003.

Performance Target

I. Perform a self-assessment to validate the effectiveness of the caWeb issues tracking system by March 31, 2003.

3b. Completion/Validation

A. A final copy of the BN Self Assessment Process will be delivered to the NNSA/NV IOD for review by October 20, 2002.

B. A report documenting the completion of all planned Self Assessments has been delivered to NNSA/NV AMTS by September 30, 2003. This report will include the planned Self Assessments and the completion date of each.

C. BN will provide a quarterly report, due 15 days after the end of each quarter, documenting the findings of the SAs conducted during that quarter and the actions taken in response. BN must demonstrate to NNSA/NV that the data collected and trended has lead to process improvements.

**FY 2003 U.S. DEPARTMENT OF ENERGY
NNSA/NV PERFORMANCE EVALUATION PLAN
BECHTEL NEVADA--CONTRACT NUMBER DE-AC08-96NV11718
SCORECARD NO. MGT03A-02
SELF-ASSESSMENT PROGRAM**

- D. BN will provide NNSA/NV documentation that the appropriate assigned Facility Representative was formally notified of upcoming SAs prior to conducting an SA.
- E. BN will provide a justification to NNSA/NV on how Self Assessment topical areas were selected. BN will complete twelve self assessments using an acceptable level of rigor. A schedule of assessments will be developed by BN and submitted to NNSA/NV by October 31, 2002.
- F. BN will prepare and submit a schedule of independent assessments to NNSA/NV by March 31, 2003. Those independent assessments will be used to verify implementation of the BN ISMS system.
- G. BN will develop and conduct Self Assessments using appropriate criteria, review processes, and forms to document the outcome of the assessment. The process will be documented in the BN PD for the Self Assessment Process, and the forms will come from the associated Company Documents for each area being assessed.
- H. BN will demonstrate that the caWeb issues management system implemented by BN on October 1, 2002, is integrated with NNSA/NV and populated with existing and new BN data by December 20, 2002.
- I. BN will complete and document a self-assessment to validate the effectiveness of the caWeb issues tracking system by April 30, 2003.

Performance Objectives (POs) will be evaluated on an annual basis. Evaluation of POs is not limited to the specific objective/targets. POs also recognize all the contract efforts not given incentive fee consideration.

3c. Definitions/Clarifications

OTS - Oversight Tracking System
CREATES - Corrective Action Tracking System

Existing BN data - Open items residing in the CREATES system as of September 30, 2002, which will be moved to caWeb.

New data - BN issues arising after October 1, 2002, which will be entered into caWeb.

**FY 2003 U.S. DEPARTMENT OF ENERGY
NNSA/NV PERFORMANCE EVALUATION PLAN
BECHTEL NEVADA--CONTRACT NUMBER DE-AC08-96NV11718
SCORECARD NO. MGT03A-02
SELF-ASSESSMENT PROGRAM**

The evaluation of the Contractor's performance, the determination with respect to the entitlement of award fee or the amount thereof by the Fee Determination Official, and implementation thereof by the contract amendment shall be final and is not subject to the "Disputes" clause of this contract.

**FY 2003 U.S. DEPARTMENT OF ENERGY
NNSA/NV PERFORMANCE EVALUATION PLAN
BECHTEL NEVADA--CONTRACT NUMBER DE-AC08-96NV11718**

MISSION SECTION

	<u>FEE WEIGHT</u>	<u>FEE ALLOCATION</u>
<u>PERFORMANCE CATEGORY: MISSION</u>	50%	\$12,300,000
MIS03I-01 Subcritical Experiments - Livermore	5%	\$1,230,000
MIS03I-02 Subcritical Experiments - Los Alamos	6.5%	\$1,599,000
MIS03I-03 Atlas Relocation and Operations	4%	\$984,000
MIS03I-04 JASPER Experiments	4%	\$984,000
MIS03I-05 Technology Development	4%	\$984,000
MIS03I-06 UGT Readiness	3%	\$738,000
MIS03I-07 Combating Terrorism	3%	\$738,000
MIS03I-08 National Security Response Program	4.5%	\$1,107,000
MIS03I-09 Emergency Management Assessments	2%	\$492,000
MIS03I-10 Regulatory Milestones	2%	\$492,000
MIS03I-11 Area 3 DSA	2%	\$492,000
MIS03I-12 Hydrogeologic Wells	3%	\$738,000
MIS03I-13 TRU/MTRU Waste Operations	2%	\$492,000
MIS03A-14 Environmental Management Activities 1. Environmental Management Information System 2. Advanced Monitoring Systems Initiative 3. Borehole Management 4. Disposal of Low-Level Waste (LLW) at the NTS	3%	\$738,000
MIS03A-15 Enhance National Security Capabilities 1. Hard Target Defeat/Counter-Proliferation Program 2. Counterintelligence 3. National Security Response 4. NTS Disposition	2%	\$492,000

**FY 2003 U.S. DEPARTMENT OF ENERGY
 NNSA/NV PERFORMANCE EVALUATION PLAN
 BECHTEL NEVADA--CONTRACT NUMBER DE-AC08-96NV11718
 SCORECARD NO. MIS03I-01
 SUBCRITICAL EXPERIMENT--LLNL**

SECTION I - GENERAL INFORMATION	
1a. PBI Title: Subcritical Experiment--LLNL PBI Number: MIS03I-01 Revision Number: Revision 0 Date: 9/26/02	1b. Performance Area: Mission Stockpile Stewardship
SECTION II - ACCOUNTING INFORMATION	
2a. Initial Budgeted Cost of Work Scheduled : \$37.5M	2b. Total Fee Allocated: \$1,230,000
SECTION III - PERFORMANCE OBJECTIVE, MEASURE AND TARGET	
3a. <u>Performance Objective</u> Complete LLNL subcritical experiments of NNSA Campaigns and Directed Stockpile Workload.	
<u>Performance Measure</u> Demonstrate proficiency in achieving subcritical experiment programmatic objectives and effective project management to ensure cost efficiency and timely performance with quality results. Maintain safety and environmental compliance in the performance of hazardous experiments.	
<u>Performance Target</u> 1. CPI/SPI for Piano and Trumpet 1. 2. Data Recovery for Piano and Trumpet 1. 3. Complete Accordion Zero Room Construction and Final Barrier Pressure Test by September 30, 2003.	
3b. Completion/Validation 1. BN will submit progress reports to NNSA/NV. 2. Completion of subcritical experiments will be validated from observed project progress, experimental setup, and quality review of recovered data. Project execution will be in compliance with NVO 56XG and 56XH and consistent with current BN PEP.	

**FY 2003 U.S. DEPARTMENT OF ENERGY
 NNSA/NV PERFORMANCE EVALUATION PLAN
 BECHTEL NEVADA--CONTRACT NUMBER DE-AC08-96NV11718
 SCORECARD NO. MIS03I-01
 SUBCRITICAL EXPERIMENT--LLNL**

3c. Definitions/Clarifications
 CPI - Cost Performance Index
 SPI - Schedule Performance Index

SECTION IV EARNING SCHEDULE

4. Fee Allocation

<u>Criteria Met</u>	<u>% of Available Fee Paid</u>
Piano CPI/SPI	20%
Trumpet 1 CPI/SPI	20%
Data Recovery for Piano	20%
Data Recovery for Trumpet 1	20%
Accordion Zero Room	20%

Within Cost Execution

100% of fee earned if the CPI for the experiment is ≥ 1.05
 fee increase 0.5% for every .01 increase in CPI, $1.0 < \text{CPI} < 1.05$
 97.5% of fee earned if the CPI = 1.0
 80% of fee earned if the CPI = 0.9
 fee decrease 1.5% for every .01 decrease in CPI, $1.0 > \text{CPI} > 0.9$
 40% of fee earned if the CPI = 0.8
 fee decrease 4% for every .01 decrease in CPI, $0.9 > \text{CPI} > 0.8$
 0% of fee earned if the CPI < 0.8

Within Schedule Execution

100% of fee earned if the SPI for the experiment is ≥ 1.00
 95% of fee earned if the SPI for the experiment is $1.00 > \text{SPI} \geq 0.95$
 90% of fee earned if the SPI for the experiment is $0.95 > \text{SPI} \geq 0.90$
 80% of fee earned if the SPI for the experiment is $0.90 > \text{SPI} \geq 0.85$
 40% of fee if the SPI for the experiment is $0.85 > \text{SPI} \geq 0.80$
 0% of fee earned if SPI for the experiment is < 0.8

Data Recovery

$\geq 93\%$ data recovered	80% of available fee for data
$\geq 97\%$ data recovered	90% of available fee for data
= 100% data recovered	100% of available fee for data

**FY 2003 U.S. DEPARTMENT OF ENERGY
 NNSA/NV PERFORMANCE EVALUATION PLAN
 BECHTEL NEVADA--CONTRACT NUMBER DE-AC08-96NV11718
 SCORECARD NO. MIS03I-01
 SUBCRITICAL EXPERIMENT--LLNL**

SECTION V - SIGNATURES	
5a. Responsible NV Assistant Manager _____ Deborah D. Monette Date NV AMNS	Responsible BN Assistant General Manager _____ Roger Flanagan Date BN Assistant GM
5b. Concurred by NV _____ Melody C. Bell Date Director CPMD	Concurred by BN _____ Harry J. Saxton Date Deputy GM Programs
5c. Approved by NV _____ Kenneth W. Powers Date Contracting Officer	Approved by BN _____ Frederick A. Tarantino Date President and General Manager

**FY 2003 U.S. DEPARTMENT OF ENERGY
 NNSA/NV PERFORMANCE EVALUATION PLAN
 BECHTEL NEVADA--CONTRACT NUMBER DE-AC08-96NV11718
 SCORECARD NO. MIS03I-02
 SUBCRITICAL EXPERIMENT--LANL**

SECTION I - GENERAL INFORMATION	
1a. PBI Title: Subcritical Experiment - LANL PBI Number: MIS03I-02 Revision Number: Revision 0 Date: 9/26/02	1b. Performance Area: Mission Stockpile Stewardship
SECTION II - ACCOUNTING INFORMATION	
2a. Initial Budgeted Cost of Work Scheduled : \$56.8M	2b. Total Fee Allocated: \$1,599,000
SECTION III - PERFORMANCE OBJECTIVE, MEASURE AND TARGET	
3a. <u>Performance Objective</u> Complete LANL subcritical experiments of NNSA Campaigns and Directed Stockpile Workload.	
<u>Performance Measure</u> Demonstrate proficiency in achieving subcritical experiment and effective project management to ensure cost efficiency and timely performance with quality results. Maintain safety and environmental compliance in the performance of hazardous experiments.	
<u>Performance Target</u> 1. Armando CPI/SPI 2. Execute Armando Confirmatory Experiment by March 31, 2003. 3. Disassemble and ship Cygnus 1 Radiography Source to Ula by June 30, 2003. 4. Prepare and ship Unicorn rack to LANL by January 31, 2003. 5. Complete Unicorn Site Plan by September 30, 2003.	
3b. Completion/Validation 1. BN will submit progress reports to NNSA/NV. 2. Completion of subcritical experiments will be validated from observed project progress, experimental setup, and quality review of recovered data. Project execution will be in compliance with NVO 56XG and 56XH and consistent with current BN PEP.	

**FY 2003 U.S. DEPARTMENT OF ENERGY
 NNSA/NV PERFORMANCE EVALUATION PLAN
 BECHTEL NEVADA--CONTRACT NUMBER DE-AC08-96NV11718
 SCORECARD NO. MIS03I-02
 SUBCRITICAL EXPERIMENT--LANL**

3c. Definitions/Clarifications

SECTION IV EARNING SCHEDULE

4. Fee Allocation

<u>Criteria Met</u>	<u>% of Available Fee Paid</u>
Armando CPI/SPI	12%
Armando Confirmatory	22%
Cygnus I Radiography	22%
Unicorn Rack	22%
Unicorn Site Plan	22%

Within Cost Execution

100% of fee earned if the CPI for the experiment is ≥ 1.05
 fee increase 0.5% for every .01 increase in CPI, $1.0 < \text{CPI} < 1.05$
 97.5% of fee earned if the CPI = 1.0
 80% of fee earned if the CPI = 0.9
 fee decrease 1.5% for every .01 decrease in CPI, $1.0 > \text{CPI} > 0.9$
 40% of fee earned if the CPI = 0.8
 fee decrease 4% for every .01 decrease in CPI, $0.9 > \text{CPI} > 0.8$
 0% of fee earned if the CPI < 0.8

Within Schedule Execution

100% of fee earned if the SPI for the experiment is ≥ 1.00
 95% of fee earned if the SPI for the experiment is $1.00 > \text{SPI} \geq 0.95$
 90% of fee earned if the SPI for the experiment is $0.95 > \text{SPI} \geq 0.90$
 80% of fee earned if the SPI for the experiment is $0.90 > \text{SPI} \geq 0.85$
 40% of fee if the SPI for the experiment is $0.85 > \text{SPI} \geq 0.80$
 0% of fee earned if SPI for the experiment is < 0.8

**FY 2003 U.S. DEPARTMENT OF ENERGY
 NNSA/NV PERFORMANCE EVALUATION PLAN
 BECHTEL NEVADA--CONTRACT NUMBER DE-AC08-96NV11718
 SCORECARD NO. MIS03I-02
 SUBCRITICAL EXPERIMENT--LANL**

SECTION V - SIGNATURES	
5a. Responsible NV Assistant Manager _____ Deborah D. Monette Date NV AMNS	Responsible BN Assistant General Manager _____ Roger Flanagan Date BN Assistant GM
5b. Concurred by NV _____ Melody C. Bell Date Director CPMD	Concurred by BN _____ Harry J. Saxton Date Deputy GM Programs
5c. Approved by NV _____ Kenneth W. Powers Date Contracting Officer	Approved by BN _____ Frederick A. Tarantino Date President and General Manager

**FY 2003 U.S. DEPARTMENT OF ENERGY
 NNSA/NV PERFORMANCE EVALUATION PLAN
 BECHTEL NEVADA--CONTRACT NUMBER DE-AC08-96NV11718
 SCORECARD NO. MIS03I-03
 ATLAS RELOCATION AND OPERATIONS**

SECTION I - GENERAL INFORMATION	
1a. PBI Title: Atlas Relocation and Operations PBI Number: MIS03I-03 Revision Number: Revision 0 Date: 9/26/02	1b. Performance Area: Mission Stockpile Stewardship
SECTION II - ACCOUNTING INFORMATION	
2a. Initial Budgeted Cost of Work Scheduled : \$4M	2b. Total Fee Allocated: \$984,000
SECTION III - PERFORMANCE OBJECTIVE, MEASURE AND TARGET	
3a. <u>Performance Objective</u> Enhance the Atlas contribution to Stockpile Stewardship by relocating the pulsed power facility to the Nevada Test Site (NTS). Improve NWL and NTS operations effectiveness and support NTS readiness posture.	
<u>Performance Measure</u> Disassemble the Atlas machine at LANL, pack and ship to the NTS. Assemble the machine and support equipment in the new building at Area 6, NTS. Startup the Atlas machine and facility for the Stockpile Stewardship Program. Maintain safety and environmental compliance in the performance of Atlas relocation.	
<u>Performance Target</u> <ol style="list-style-type: none"> 1. Complete disassembly and shipment of the Atlas machine by February 28, 2003. 2. Complete reassembly of Atlas machine at the NTS by April 30, 2003. 3. Complete start-up and request CD-4 approval by September 10, 2003. 4. Design Atlas vacuum chamber including diagnostic feed-through by September 30, 2003. 5. Maintain cumulative Atlas Relocation project costs through the end of FY03 within approved Total Estimated Cost and Total Project Cost. 	
3b. Completion/Validation <ol style="list-style-type: none"> 1. BN will submit progress reports to NNSA/NV. 	

**FY 2003 U.S. DEPARTMENT OF ENERGY
 NNSA/NV PERFORMANCE EVALUATION PLAN
 BECHTEL NEVADA--CONTRACT NUMBER DE-AC08-96NV11718
 SCORECARD NO. MIS03I-03
 ATLAS RELOCATION AND OPERATIONS**

2. Issue disassembly procedure.
3. Complete disassembly team training.
4. Issue configuration control procedure.
5. Issue packing and shipping plan.
6. Verify Atlas component and equipment inventory list as received.
7. Issue reassembly procedure.
8. Issue start-up plan and operations procedure.
9. Complete NNSA/NV REOP process.
10. Complete CD-4 requirements.
11. Train operation team.
12. Issue vacuum chamber design with diagnostics feed-throughs.

3c. Definitions/Clarifications

SECTION IV EARNING SCHEDULE

4. Fee Allocation

<i>Criteria Met</i>	<i>% of Available Fee Paid</i>
Complete disassembly & shipment by February 28, 2003	20%
Complete reassembly at the NTS by April 30, 2003	20%
Complete start-up & request CD-4 approval by September 10, 2003	20%
Design Atlas vacuum chamber by September 30, 2003	20%
Cumulative costs within TEC & TPC	20%

**FY 2003 U.S. DEPARTMENT OF ENERGY
 NNSA/NV PERFORMANCE EVALUATION PLAN
 BECHTEL NEVADA--CONTRACT NUMBER DE-AC08-96NV11718
 SCORECARD NO. MIS03I-03
 ATLAS RELOCATION AND OPERATIONS**

SECTION V - SIGNATURES	
5a. Responsible NV Assistant Manager _____ Deborah D. Monette Date NV AMNS	Responsible BN Assistant General Manager _____ Roger Flanagan Date BN Assistant GM
5b. Concurred by NV _____ Melody C. Bell Date Director CPMD	Concurred by BN _____ Harry J. Saxton Date Deputy GM Programs
5c. Approved by NV _____ Kenneth W. Powers Date Contracting Officer	Approved by BN _____ Frederick A. Tarantino Date President and General Manager

**FY 2003 U.S. DEPARTMENT OF ENERGY
 NNSA/NV PERFORMANCE EVALUATION PLAN
 BECHTEL NEVADA--CONTRACT NUMBER DE-AC08-96NV11718
 SCORECARD NO. MIS03I-04
 JASPER EXPERIMENTS**

SECTION I - GENERAL INFORMATION	
1a. PBI Title: JASPER Experiments PBI Number: MIS03I-04 Revision Number: Revision 0 Date: 9/26/02	1b. Performance Area: Mission Stockpile Stewardship
SECTION II - ACCOUNTING INFORMATION	
2a. Initial Budgeted Cost of Work Scheduled : \$1.7M	2b. Total Fee Allocated: \$984,000
SECTION III - PERFORMANCE OBJECTIVE, MEASURE AND TARGET	
3a. <u>Performance Objective</u> Complete FY 2003 JASPER experiments of NNSA Campaigns.	
<u>Performance Measure</u> Demonstrate proficiency in achieving JASPER experiment programmatic objectives and effective project management to ensure cost efficiency and timely performance with quality results. Maintain safety and environmental compliance in the performance of hazardous experiments.	
<u>Performance Target</u> 1. Execute a JASPER surrogate shot recovering VISAR diagnostics data by September 30, 2003. 2. Complete fabrication of the 12 PTCs under enhanced quality requirements (LLNL Specification MEL 02-001-OA) by September 30, 2003.	
3b. Completion/Validation 1. BN will submit progress reports to NNSA/NV. 2. Completion of JASPER experiment will be validated from observed project progress and review of recovered data. Fabrication of PTC will be in accordance with LLNL technical specification and assessed to its quality standards. Project execution will be consistent with current BN PEP.	

**FY 2003 U.S. DEPARTMENT OF ENERGY
 NNSA/NV PERFORMANCE EVALUATION PLAN
 BECHTEL NEVADA--CONTRACT NUMBER DE-AC08-96NV11718
 SCORECARD NO. MIS03I-04
 JASPER EXPERIMENTS**

3c. Definitions/Clarifications

SECTION IV EARNING SCHEDULE

<u>Criteria Met</u>	<u>% of Available Fee Paid</u>
1. Recovery of VISAR diagnostics	50%
2. Fabricate 12 PTCs	50%

SECTION V - SIGNATURES

5a. Responsible NV Assistant Manager _____ Deborah D. Monette Date NV AMNS	Responsible BN Assistant General Manager _____ Roger Flanagan Date BN Assistant GM
5b. Concurred by NV _____ Melody C. Bell Date Director CPMD	Concurred by BN _____ Harry J. Saxton Date Deputy GM Programs
5c. Approved by NV _____ Kenneth W. Powers Date Contracting Officer	Approved by BN _____ Frederick A. Tarantino Date President and General Manager

**FY 2003 U.S. DEPARTMENT OF ENERGY
 NNSA/NV PERFORMANCE EVALUATION PLAN
 BECHTEL NEVADA--CONTRACT NUMBER DE-AC08-96NV11718
 SCORECARD NO. MIS03I-05
 TECHNOLOGY DEVELOPMENT & DEPLOYMENT**

SECTION I - GENERAL INFORMATION	
1a. PBI Title: Technology Development & Deployment PBI Number: MIS03I-05 Revision Number: Revision 0 Date: 9/26/02	1b. Performance Area: Mission Stockpile Stewardship
SECTION II - ACCOUNTING INFORMATION	
2a. Initial Budgeted Cost of Work Scheduled : \$7M	2b. Total Fee Allocated: \$984,000
SECTION III - PERFORMANCE OBJECTIVE, MEASURE AND TARGET	
3a. <u>Performance Objective</u> Complete diagnostic development, experiment fielding, and data analysis of National Weapons Laboratory (NWL) experiments of the NNSA Campaigns and Directed Stockpile Workload.	
<u>Performance Measure</u> Demonstrate proficiency in developing and deploying technology for weapons programmatic objectives.	
<u>Performance Target</u> <ol style="list-style-type: none"> 1. Produce 6 phototubes at BN LO by September 30, 2003. 1. Characterize and calibrate optical and x-ray streak cameras for NIF early light and issue integrated NIF procedure by March 31, 2003. 2. Reactivate NLV cable equalization and measurement capabilities and characterize cables required for NIF early light, issuing integrated NIF procedure by March 31, 2003. 3. Design, procure and install the UV long pulse laser system as a NIF characterization source by September 30, 2003. 4. Conduct feasibility experiments for SNM containment using surrogates on Saturn and Z by March 31, 2003. 5. Acquire high-speed, multi-frame optical camera and deploy on Z experiments by June 30, 2003. 6. Complete data analysis of 10 historical LANL underground nuclear tests by September 30, 2003. 	

**FY 2003 U.S. DEPARTMENT OF ENERGY
 NNSA/NV PERFORMANCE EVALUATION PLAN
 BECHTEL NEVADA--CONTRACT NUMBER DE-AC08-96NV11718
 SCORECARD NO. MIS03I-05
 TECHNOLOGY DEVELOPMENT & DEPLOYMENT**

7. Conduct a dynamic shock experiment using the upgraded Santa Barbara focal plane gated infrared camera by March 31, 2003.
8. Provide analyzed results of FY 2002-2003 LANSCE run cycle unclassified dynamic experiments by June 30, 2003.
9. Demonstrate electron beam emittance measurement using optical transient radiation imaging system and enhanced anamorphic imaging by August 31, 2003.

3b. Completion/Validation

1. BN will submit progress reports to NNSA/NV.
2. Completion of diagnostics, experiment fielding, and data analysis will be validated from observed project progress, review of data recovered, quality of fabricated components and analysis of experiment data. Project execution will be consistent with current BN PEP.

3c. Definitions/Clarifications

SECTION IV EARNING SCHEDULE

4. Fee Allocation

<i>Criteria Met</i>	<i>% of Available Fee Paid</i>
1. Phototubes Milestone	10%
2. Optical and X-ray Streak Cameras Milestone	10%
3. NIF Early Light Milestone	10%
4. UV Long Pulse Laser System Milestone	10%
5. SNM Containment Milestone	10%
6. Multi-frame Optical Camera Milestone	10%
7. Historical LANL Underground Nuclear Tests Milestone	10%
8. Dynamic Shock Experiment Milestone	10%
9. FY02-03 LANSCE Milestone	10%
10. Optical Transient Radiation & Enhanced Anamorphic Imaging Milestone	10%

**FY 2003 U.S. DEPARTMENT OF ENERGY
 NNSA/NV PERFORMANCE EVALUATION PLAN
 BECHTEL NEVADA--CONTRACT NUMBER DE-AC08-96NV11718
 SCORECARD NO. MIS03I-05
 TECHNOLOGY DEVELOPMENT & DEPLOYMENT**

SECTION V - SIGNATURES	
5a. Responsible NV Assistant Manager _____ Deborah D. Monette Date NV AMNS	Responsible BN Assistant General Manager _____ Roger Flanagan Date BN Assistant GM
5b. Concurred by NV _____ Melody C. Bell Date Director CPMD	Concurred by BN _____ Harry J. Saxton Date Deputy GM Programs
5c. Approved by NV _____ Kenneth W. Powers Date Contracting Officer	Approved by BN _____ Frederick A. Tarantino Date President and General Manager

**FY 2003 U.S. DEPARTMENT OF ENERGY
 NNSA/NV PERFORMANCE EVALUATION PLAN
 BECHTEL NEVADA--CONTRACT NUMBER DE-AC08-96NV11718
 SCORECARD NO. MIS03I-06
 UGT READINESS**

SECTION I - GENERAL INFORMATION	
1a. PBI Title: UGT Readiness PBI Number: MIS03I-06 Revision Number: Revision 0 Date: 9/26/02	1b. Performance Area: Mission Stockpile Stewardship
SECTION II - ACCOUNTING INFORMATION	
2a. Initial Budgeted Cost of Work Scheduled : \$6.9M	2b. Total Fee Allocated: \$738,000
SECTION III - PERFORMANCE OBJECTIVE, MEASURE AND TARGET	
3a. <u>Performance Objective</u> Provide test readiness programs and projects that establish a state of readiness that fulfills the current posture to test within a 24 to 36 month period as mandated by Presidential Directive.	
<u>Performance Measure</u> Demonstrate improved readiness posture through support of activities for the resumption of testing that would decrease the current 24-36 month readiness posture to 18-months.	
<u>Performance Target</u> 1. Complete inventory hole source book by May 30, 2003. 1. Reduce physical asset inventories by 10% by July 30, 2003. 2. Complete comprehensive BN annual UGT readiness assessment by September 30, 2003. 3. Complete comprehensive BN critical skills assessment by August 30, 2003. 4. Implement UGT nuclear diagnostics training plan and conduct first course by March 31, 2003.	
3b. Completion/Validation 1. BN will submit progress reports to NNSA/NV. 2. Completion of UGT Readiness will be validated from observed project progress, annual assessment report of critical skills, physical asset management, archiving, UGT systems planning and evaluation.	

**FY 2003 U.S. DEPARTMENT OF ENERGY
 NNSA/NV PERFORMANCE EVALUATION PLAN
 BECHTEL NEVADA--CONTRACT NUMBER DE-AC08-96NV11718
 SCORECARD NO. MIS03I-06
 UGT READINESS**

3c. Definitions/Clarifications

SECTION IV EARNING SCHEDULE

4. Fee Allocation

<i>Criteria Met</i>	<i>% of Available Fee Paid</i>
1. Complete Inventory Hole Source Book	20%
2. Reduce Physical Asset Inventories	20%
3. Complete BN Annual Readiness Assessment Report	20%
4. Complete BN Critical Skills Assessment Report	20%
5. Implement UGT nuclear diagnostics training	20%

SECTION V - SIGNATURES

5a. Responsible NV Assistant Manager _____ Deborah D. Monette Date NV AMNS	Responsible BN Assistant General Manager _____ Roger Flanagan Date BN Assistant GM
5b. Concurred by NV _____ Melody C. Bell Date Director CPMD	Concurred by BN _____ Harry J. Saxton Date Deputy GM Programs
5c. Approved by NV _____ Kenneth W. Powers Date Contracting Officer	Approved by BN _____ Frederick A. Tarantino Date President and General Manager

**FY 2003 U.S. DEPARTMENT OF ENERGY
 NNSA/NV PERFORMANCE EVALUATION PLAN
 BECHTEL NEVADA--CONTRACT NUMBER DE-AC08-96NV11718
 SCORECARD NO. MIS03I-07
 COMBATING TERRORISM**

SECTION I - GENERAL INFORMATION	
1a. PBI Title: Combating Terrorism (CT) PBI Number: MIS03I-07 Revision Number: Revision 0 Date: 9/26/02	1b. Performance Area: Mission Emergency Management
SECTION II - ACCOUNTING INFORMATION	
2a. Initial Budgeted Cost of Work Scheduled : \$37.3M	2b. Total Fee Allocated: \$738,000
SECTION III - PERFORMANCE OBJECTIVE, MEASURE AND TARGET	
<p>3a.</p> <p><u>Performance Objective</u> Complete CT deliverables as specified by NNSA/HQ.</p> <p><u>Performance Measure</u> Complete the deliverables by the due dates specified below in the Performance Target and use a baseline change request to document all scope and schedule changes to the baseline.</p> <p><u>Performance Target</u> Complete the following deliverables by the specified due Date: 9/26/02</p> <ol style="list-style-type: none"> 1. Counter terrorism Technologies (CTT) Complete 100% of all IWFO/WFO Project/Task Milestones. Complete by 9/15/03. 2. Counter terrorism Operations Support Project (CTOS) Successfully complete 100% of the WMD courses for first responders by 9/30/03. 3. National Center for Combating Terrorism Project (NCCT) <ol style="list-style-type: none"> a. Complete projects funded with FY03 funds in accordance with a schedule to be developed and mutually agreed between BN and NNSA/NV. Completion to be defined as acceptance by the facility user or an agreed upon percentage of work complete. b. Develop an NCCT Strategic Plan. Complete by March 31, 2003. 	

**FY 2003 U.S. DEPARTMENT OF ENERGY
NNSA/NV PERFORMANCE EVALUATION PLAN
BECHTEL NEVADA--CONTRACT NUMBER DE-AC08-96NV11718
SCORECARD NO. MIS03I-07
COMBATING TERRORISM**

3b. Completion/Validation

Method of evaluation will be a technical EMD review and evaluation of the effectiveness, success, and quality of the completed work scope, materials, and reports based on the work approved by customers.

3c. Definitions/Clarifications

SECTION IV EARNING SCHEDULE

4. Fee Allocation

A. Fee Schedule- Applicable fee shall be earned and payable upon the completion of each deliverable as follows:

Of Deliverables MET (3% of available fee)

4 (100%)

3 (75%)

2 (50%)

1 (25%)

**FY 2003 U.S. DEPARTMENT OF ENERGY
 NNSA/NV PERFORMANCE EVALUATION PLAN
 BECHTEL NEVADA--CONTRACT NUMBER DE-AC08-96NV11718
 SCORECARD NO. MIS03I-08
 NATIONAL SECURITY RESPONSE PROGRAM**

SECTION I - GENERAL INFORMATION	
<p>1a. PBI Title: National Security Response Program (NSR) PBI Number: MIS03I-08 Revision Number: Revision 0 Date: 9/26/02</p>	<p>1b. Performance Area: Mission Emergency Management</p>
SECTION II - ACCOUNTING INFORMATION	
<p>2a. Initial Budgeted Cost of Work Scheduled : \$60M</p>	<p>2b. Total Fee Allocated: \$1,107,000</p>
SECTION III - PERFORMANCE OBJECTIVE, MEASURE AND TARGET	
<p>3a.</p> <p><u>Performance Objective</u> Complete National Security Response deliverables as specified by NNSA HQ.</p> <p><u>Performance Measure</u></p> <ol style="list-style-type: none"> 1. Complete the deliverables by the due dates specified below in the Performance Targets. 2. In addition, Consequence Management PBI deliverable (1)d (Complete 100% of BN led CMPT training courses.) will be required to be completed with a final CPI and SPI each in the range of not less than .9 and not greater than 1.1. 3. Transition of Albuquerque B-200 into NNSA/NV AMS Operations completed 270 days following delivery of aircraft and receipt of funding specified in FY03 AMS Work Authorization Statement. Transition to be completed without affecting AMS incident response stand-by posture. <p><u>Performance Target</u> Complete the following deliverables by the specified due Date: 9/26/02</p> <ol style="list-style-type: none"> 1. Consequence Management (CM) <ol style="list-style-type: none"> a. AMS: Perform proficiency-training flights for fixed-wing aircraft response. Each 	

**FY 2003 U.S. DEPARTMENT OF ENERGY
NNSA/NV PERFORMANCE EVALUATION PLAN
BECHTEL NEVADA--CONTRACT NUMBER DE-AC08-96NV11718
SCORECARD NO. MIS03I-08
NATIONAL SECURITY RESPONSE PROGRAM**

member of the on-call Radiation Emergency Response Teams at RSL-N and RSL-A will complete one training flight per quarter. Provide a crew training proficiency report 30 days after the end of each quarter. Report will contain one data analysis product per quarter.

- b. AMS: Update and revise the AMS 5-Year Plan to comply with the direction provided by the Office of Emergency Management and to reflect the impacts that resulted from the transfer of the FY 02 technical integration funding to support the emergency response deployments/readiness activities. The revised 5-year plan should address any tasks that proved unfeasible and will no longer be pursued and new tasks that are a result of findings of previously completed tasks and newly available technology. New milestones and deliverables dates are to be included. Provide draft update of AMS 5-year plan to NNSA/NV by June 30, 2003.
- c. CM: TOPOFF Drill (CMRT). Demonstrate acceptable performance with notification, deployment, set-up, technical operations, and data development and dissemination during a national TOPOFF. Complete by September 30, 2003.
- d. CM: Complete 100% of BN led CM training courses in coordination with the Emergency Operations Training Academy. Courses will be tracked utilizing ERDS course registration module. A quarterly report of training course status will be provided to NNSA/NV within 30 calendar days of the end of each quarter.

2. Crisis Response (CR)

Will maintain NRAT deployment readiness of at least 100% in all categories described in the Readiness Evaluation and Report System (REARS).

3. Information and Communication Technologies (ICT)

Develop and submit proposed 5-Year Plans for the ECN and IN support to comply with the direction provided by the Office of Intelligence and Office of Emergency Management. These plans will provide the technical direction and technical milestones and deliverables to support the programs over a 5-year period. The complete plans by July 31, 2003.

4. Counter terrorism Technologies (CTT)

Demonstrate flip-chip in-house fabrication capability, which is required for future generations of IN-1 requirements, by successfully completing one or more tasks that require this technology. Complete by September 15, 2003.

**FY 2003 U.S. DEPARTMENT OF ENERGY
NNSA/NV PERFORMANCE EVALUATION PLAN
BECHTEL NEVADA--CONTRACT NUMBER DE-AC08-96NV11718
SCORECARD NO. MIS03I-08
NATIONAL SECURITY RESPONSE PROGRAM**

5. Test & Evaluation (T&E)
 - a. Purchase and install 10 additional meteorology stations at the HSC. Complete by March 31, 2003.
 - b. Purchase and install a remotely controlled Infrared Camera with display in the HSC control room to observe that "hot" plumes are being released. Complete by June 30, 2003.

6. Transition Albuquerque B-200 aircraft into AMS Operations per the transition plan submitted to NNSA/NV as follows:
 - a. Modify the new King Air N7332R to be consistent with existing B-200 airframes.
 - b. Modify one additional King Air B-200 (N7332R or N6451D) with dual photo windows.
 - c. Conduct proving tests on the radiological emergency response equipment and the consequence management equipment and ensure window suitability.
 - d. Obtain FAA approval for mission equipment required in the King Air.
 - e. Obtain acceptance and approval of all modifications and air-worthiness of King Air from NNSA/NV Aviation Manager.

3b. Completion/Validation

Evaluate TOPOFF Drill performance deliverable based on the following criteria:

1. Complete Operations Plan prior to team departure from RSL - Nellis.
2. Complete Safety Plan prior to team departure from RSL - Nellis.
3. Team members arrive at RSL - Nellis within the specified time frame.
4. Team members' Deployment Authorization Program (DAP) status is reviewed and approved by Emergency Response Manager before team departure from RSL - Nellis.
5. An approved load plan is generated prior to departure from RSL - Nellis.
6. A Monitoring Plan is developed prior to deployment of field teams
7. A Health & Safety Plan is developed prior to deployment of field teams
8. A GIS map depicting Aerial Measuring System flight data is developed. AMS data will be based upon a real or simulated flight depending upon exercise scope.
9. If requested, state and local data and resources are integrated with the CMRT at the drill.

**FY 2003 U.S. DEPARTMENT OF ENERGY
NNSA/NV PERFORMANCE EVALUATION PLAN
BECHTEL NEVADA--CONTRACT NUMBER DE-AC08-96NV11718
SCORECARD NO. MIS03I-08
NATIONAL SECURITY RESPONSE PROGRAM**

10. Input into the after action report will be provided to NNSA/NV within 10 working days following ENDEX.

Evaluate all other deliverables as follows:

The method of evaluation of the other deliverables in this performance objective will be a technical EMD review and evaluation of the effectiveness, success, and quality of the completed work scope.

3c. Definitions/Clarifications

SECTION IV EARNING SCHEDULE

4. Fee Allocation

Fee Schedule- Applicable fee shall be earned and payable upon the completion of each deliverable as follows:

Of Deliverables Met (4.5% of available fee)

14	(100%)
13	(92.86%)
12	(85.72%)
11	(78.58%)
10	(71.44%)
9	(64.30%)
8	(57.16%)
7	(50.02%)
6	(42.88%)
5	(35.74%)
4	(28.6%)
3	(21.46%)
2	(14.32%)
1	(7.18%)

**FY 2003 U.S. DEPARTMENT OF ENERGY
 NNSA/NV PERFORMANCE EVALUATION PLAN
 BECHTEL NEVADA--CONTRACT NUMBER DE-AC08-96NV11718
 SCORECARD NO. MIS03I-09
 EMERGENCY MANAGEMENT ASSESSMENTS**

SECTION I - GENERAL INFORMATION	
<p>1a. PBI Title: Emergency Management Assessments PBI Number: MIS03I-09 Revision Number: Revision 0 Date: 9/26/02</p>	<p>1b. Performance Area: Mission Emergency Management</p>
SECTION II - ACCOUNTING INFORMATION	
<p>2a. Initial Budgeted Cost of Work Scheduled : \$ _____</p>	<p>2b. Total Fee Allocated: \$492,000</p>
SECTION III - PERFORMANCE OBJECTIVE, MEASURE AND TARGET	
<p>3. <u>Performance Objective</u> - Emergency Management Program Hazards Assessments A. The hazards for the facilities at the Nevada Test Site (NTS) are documented so that necessary emergency management planning is accomplished for the NTS.</p> <p><u>Performance Measure</u> A. The following BN emergency management hazards assessments contain all information as specified by DOE Order 151.1A and DOE Guide 151.1-1: 1. Transportation Activity on the NTS (excludes off site) 2. HAZMAT Spill Center 3. Waste Examination Facility, TRU Pad, and SO2C 4. Area 5 Radioactive Waste Management Site</p> <p><u>Performance Target</u> A. Complete revisions/updates to the following emergency management hazards assessments by the specified due date below: 1. Transportation Activity on the NTS (excludes off site) by January 31, 2003. 2. HAZMAT Spill Center by March 28, 2003. 3. Waste Examination Facility, TRU Pad, and SO2C by May 29, 2003. 4. Area 5 Radioactive Waste Management Site by June 27, 2003.</p> <p><u>Performance Objective</u> - Emergency Management Program Consequence Assessment B. A consistent consequence assessment methodology is used for the selection of timely and effective protective actions and protective action recommendations during operational emergencies.</p>	

**FY 2003 U.S. DEPARTMENT OF ENERGY
 NNSA/NV PERFORMANCE EVALUATION PLAN
 BECHTEL NEVADA--CONTRACT NUMBER DE-AC08-96NV11718
 SCORECARD NO. MIS03I-09
 EMERGENCY MANAGEMENT ASSESSMENTS**

Performance Measure

B. Demonstrate compliance with the requirements and expectations of the NNSA/NV Consolidated Emergency Management Plan, dated May 2002 during three FY03 emergency management exercises.

Performance Target

B. The consequence assessment activities meet the requirements and expectations of the NNSA/NV Consolidated Emergency Management Plan, dated May 2002.

3b. Completion/Validation

A. NNSA/NV Site Management Division, Emergency Management Operations Team will review the emergency management hazards assessments against the requirements of DOE Order 151.1A, specifically Chapter IV, Items 1 and item 3.a and the guidance of DOE Order 151.1-1, Volume II.

B. NNSA/NV Site Management Division, Emergency Management Operations Team will evaluate the performance of the consequence assessment activities during the emergency management exercises against the requirements and expectations of the NNSA/NV Consolidated Emergency Management Plan, dated May 2002.

3c. Definitions/Clarifications

SECTION IV EARNING SCHEDULE

4. Fee Allocation

A. 1.0% of available fee allocated for this objective.

Fee Schedule- Applicable fee shall be earned and payable upon the completion of each deliverable as follows:

<u># Of Deliverables Completed</u>	<u>% of Available Fee Paid</u>
0	0%
1	10%
2	30%
3	60%
4	100%

**FY 2003 U.S. DEPARTMENT OF ENERGY
 NNSA/NV PERFORMANCE EVALUATION PLAN
 BECHTEL NEVADA--CONTRACT NUMBER DE-AC08-96NV11718
 SCORECARD NO. MIS03I-09
 EMERGENCY MANAGEMENT ASSESSMENTS**

B. 1.0% of available fee allocated for this objective.

Fee Schedule- Applicable fee shall be earned and payable upon the completion of each deliverable as follows:

<u># Of Deliverables Completed</u>	<u>% of Available Fee Paid</u>
0	0%
1	25%
2	50%
3	100%

SECTION V - SIGNATURES

5a. Responsible NV Assistant Manager _____ Deborah D. Monette Date NV AMNS	Responsible BN Assistant General Manager _____ Thomas Habermas Date BN Assistant GM
5b. Concurred by NV _____ Melody C. Bell Date Director CPMD	Concurred by BN _____ Harry Saxton Date Deputy GM SSPO
5c. Approved by NV _____ Kenneth W. Powers Date Contracting Officer	Approved by BN _____ Frederick A. Tarantino Date President and General Manager

**FY 2003 U.S. DEPARTMENT OF ENERGY
 NNSA/NV PERFORMANCE EVALUATION PLAN
 BECHTEL NEVADA--CONTRACT NUMBER DE-AC08-96NV11718
 SCORECARD NO. MIS03I-10
 REGULATORY MILESTONES**

SECTION I - GENERAL INFORMATION	
1a. PBI Title: Regulatory Milestones PBI Number: MIS03I-10 Revision Number: Revision 0 Date: 9/26/02	1b. Performance Area: Mission Environmental Management
SECTION II - ACCOUNTING INFORMATION	
2a. Initial Budgeted Cost of Work Scheduled : \$10.5M	2b. Total Fee Allocated: \$492,000
SECTION III - PERFORMANCE OBJECTIVE, MEASURE AND TARGET	
<p>3a.</p> <p><u>Performance Objective</u> Ensure that environmental management activities covered by regulatory agreements are completed in accordance with applicable regulatory requirements, and within Environmental Management Information System (EMIS) cost and schedule thresholds.</p> <p><u>Performance Measure</u> All NNSA/NV environmental management milestones leading to regulatory deadlines, as identified in the attached table, are to be completed within scope, schedule, and cost parameters identified in the NNSA/NV approved Task Plans.</p> <p><u>Performance Target</u> The performance expectation is that 100% of all regulatory milestones are completed within established safety, health, and regulatory criteria, and within EMIS cost and schedule thresholds as defined in the fee schedule. While all regulatory deadlines are expected to be met, the incentive fee is based on those milestones identified in the attached table, which represent a subset of all the regulatory milestones.</p>	

<p>3b. Completion/Validation</p> <p>BN will submit a letter transmitting each of the discrete incentive milestone documents to NNSA/NV. The letter will state that the transmittal constitutes completion of an incentive milestone. The NNSA/NV Project Manager will be responsible for verifying and documenting each discrete milestone to include evaluation the quality and timeliness of the deliverable, and the effectiveness of cost controls applied to the effort by BN.</p>

**FY 2003 U.S. DEPARTMENT OF ENERGY
NNSA/NV PERFORMANCE EVALUATION PLAN
BECHTEL NEVADA--CONTRACT NUMBER DE-AC08-96NV11718
SCORECARD NO. MIS03I-10
REGULATORY MILESTONES**

3c. Definitions/Clarifications

Milestones identified were based on information obtained from existing baselines. Upon finalization of the NNSA/NV Task Plans in September 2002 and/or if milestones change throughout the year, EM will initiate a PEP Change Request to update information.

These milestones represent a measurable output that is the culmination of a series of activities carried out by the contractor to successfully make submission to the regulator. The incentive is for the entire process, but the on-time achievement of the milestone is the measure of success of that process.

SECTION IV EARNING SCHEDULE

4. Fee Allocation

Fee Schedule - The proportion of the total fee available for this expectation in the first half of the period, is directly related to the proportion of regulatory milestones scheduled in the first half of the performance period. The remaining portion of the fee is available in the second half of the performance period. Proportions are based on the NNSA/NV approved Work Authorizations in place as of September 30, 2002. Achievement of fee in each period is dependent on accomplishing all of the milestones scheduled for that period. Failure to earn the available fee in the first rating period does not affect BN's ability to earn the available fee in the subsequent rating period. There will be no carry over from the first rating period.

Fee for Performance Based Incentives is paid upon completion of each discrete incentive expectation. For this scorecard, BN will be eligible to earn fee twice during the performance period upon completion of the milestones identified in the attached *BN FY 03 Regulatory Deadline Incentive Milestones Table*. Completion of all milestones must be in accordance with the requirements of this performance measure.

**FY 2003 U.S. DEPARTMENT OF ENERGY
 NNSA/NV PERFORMANCE EVALUATION PLAN
 BECHTEL NEVADA--CONTRACT NUMBER DE-AC08-96NV11718**

Milestone	Due Date	Date Met	Validation
1 st Half			
Industrial Sites			
CAU 326, A27 Release Sites Closure Report (CR)	10/18/02		
CAU 355, A2 Cellars/Mud Pits Streamlined Approach for Environmental Restoration (SAFER)	12/18/02		
CAU 398, A25 Spill Sites (CR)	1/28/03		
CAU 425, A9 Main Lake Disp. (CR)	02/02/03		
CAU 396, A20 Spill Sites (SAFER)	03/31/03		
CAU 490, Sta 44 Burn Area (CR)	03/31/03		
CAU 176, A5,6,11 Housekeeping (CR)	03/31/03		
Mixed Low-Level Waste			
Submit Quarterly Hazardous Waste Management Reports, Volumes, & Fees	10/21/02		
Submit Quarterly Hazardous Waste Management Reports, Volumes, & Fees	01/21/03		
Submit Asbestos Solid Waste Disposal Report	01/30/03		
Submit Annual Groundwater Monitoring Report	02/13/03		
Submit Annual Hazardous Waste Management Regulatory Documentation and Operating Fees	02/18/03		
Submit Final Annual Site Treatment Plan Update	03/31/03		

**FY 2003 U.S. DEPARTMENT OF ENERGY
 NNSA/NV PERFORMANCE EVALUATION PLAN
 BECHTEL NEVADA--CONTRACT NUMBER DE-AC08-96NV11718**

Milestones	Due Date	Date Met	Validation
2 nd Half			
Industrial Sites			
CAU, 113, A25 RMAD Facility (CR)	04/17/03		
CAU 214, A25 Bunkers (SAFER)	04/30/03		
CAU 262, A25 Septic Systems (CR)	04/30/03		
CAU 352, A19/20 Housekeeping Sites (CR)	04/30/03		
CAU 271, A25/26/27 Septic Systems (CAP)	05/30/03		
CAU 350, Misc. Housekeeping (CR)	05/30/03		
CAU 335, A6 Injection Well (CR)	06/30/03		
CAU 330, A6/22 Tanks, Spills (CR)	07/31/03		
CAU 351, Housekeeping Sites (CR)	07/31/03		
CAU 346, A8/10 Housekeeping Sites (CR)	08/29/03		
Mixed Low-Level Waste			
Submit Quarterly Hazardous Waste Management Reports, Volumes, & Fees	04/21/03		
Submit Quarterly Hazardous Waste Management Reports, Volumes, & Fees	07/21/03		

**FY 2003 U.S. DEPARTMENT OF ENERGY
 NNSA/NV PERFORMANCE EVALUATION PLAN
 BECHTEL NEVADA--CONTRACT NUMBER DE-AC08-96NV11718
 SCORECARD NO. MIS03I-11
 AREA 3 DOCUMENTED SAFETY ANALYSIS (DSA)**

SECTION I - GENERAL INFORMATION	
<p>1a. PBI Title: Area 3 Documented Safety Analysis (DSA) PBI Number: MIS03I-11 Revision Number: Revision 0 Date: 9/26/02</p>	<p>1b. Performance Area: Mission Environmental Management</p>
SECTION II - ACCOUNTING INFORMATION	
<p>2a. Initial Budgeted Cost of Work Scheduled : \$1M</p>	<p>2b. Total Fee Allocated: \$492,000</p>
SECTION III - PERFORMANCE OBJECTIVE, MEASURE AND TARGET	
<p>3a. <u>Performance Objective</u> A. Complete the development of the A-3 RWMS DSA.</p> <p><u>Performance Measure</u> A. Achieve 100% completion of the A-3 RWMS DSA and TSR.</p> <p><u>Performance Target</u> A. Complete the following: 30% Review complete by November 29, 2002. Deliverables for 30% Review are: Chapter 1-3.3 and associated appendixes Facility description including facility processes and major activities defined HA and methodologies Hazard identification, characterization, and evaluation Risk ranking of postulated accident scenarios Identification of candidate safety structures, systems, and components (SSCs) Identification of candidate accidents to be analyzed</p> <p>70% Review complete by January 15, 2003. Deliverables for 70% Review are: Chapter 1-5 and associated appendixes All comments contained in 30% review package agreed on by NNSA/NV and BN, updated and incorporated Preliminary accident analysis</p>	

**FY 2003 U.S. DEPARTMENT OF ENERGY
NNSA/NV PERFORMANCE EVALUATION PLAN
BECHTEL NEVADA--CONTRACT NUMBER DE-AC08-96NV11718
SCORECARD NO. MIS03I-11
AREA 3 DOCUMENTED SAFETY ANALYSIS (DSA)**

Safety functions and safety systems descriptions per DOE-STD-3009-94 ch.4 for safety SSCs
Refined performance requirements identified through safety systems evaluations
Criticality safety evaluations and controls identified
Preliminary identification of TSRs & operational considerations for maintaining safety SSCs
Environmental Management Program described
Radiation & hazardous material protection programs described

95% Review complete by February 28, 2003.

Deliverables for 95% Review are:

Chapters 1-17 and associated appendixes

Finalization of :

Accident analysis

Safety functions, safety system descriptions, functional and performance requirements, and system evaluations

Derivation of technical safety requirements

Institutional programmatic controls

100% DSA completed by April 3, 2003.

Deliverable for 100% Review is:

DSA Complete

3a.

Performance Objective

B. Implement and maintain the A-3 RWMS DSA. Implement the A-3 RWMS DSA and begin operation of the A-3 RWMS as a Category 2 Nuclear facility.

Performance Measure

A. Implement and maintain the A-3 RWMS DSA. Implement and begin operations at the A-3 RWMS as a Category 2 Nuclear facility.

Performance Target

B. Implementation will include:

1. Develop an implementation plan and schedule for implementing conditions of approval, if any, from the Area 3 RWMC SER.
2. Submit a Plan of Action for the Contractor ORR.
3. Complete a Management Self Assessment prior to the start of the CORR.
4. Conduct the CORR and providing a copy of the Final Report to NNSA/NV.
5. Issuing a Readiness to Proceed memo to NNSA/NV for commencing the NNSA/NV ORR.

**FY 2003 U.S. DEPARTMENT OF ENERGY
NNSA/NV PERFORMANCE EVALUATION PLAN
BECHTEL NEVADA--CONTRACT NUMBER DE-AC08-96NV11718
SCORECARD NO. MIS03I-11
AREA 3 DOCUMENTED SAFETY ANALYSIS (DSA)**

3b. Completion/Validation

- A. NNSA/NV will verify PO (A) via Safety Evaluation Report (SER) Team for the DSA and SER issuance on May 30, 2003.

- B. NNSA/NV will approve the PoA.
NNSA/NV will review the MSA and results during the Contractor ORR.
NNSA /NV PM will review the results of the CORR.
The NNSA/NV PM will validate the readiness of the contractor to proceed to the NNSA/NV ORR by reviewing the results of the MSA and CORR. In addition, the PM may review the objective evidence from the closure packages from the CORR Prestart findings.
NNSA Project Manager will endorse the BN "Readiness to Proceed" Memorandum.

3c. Definitions/Clarifications

RWMC = Radioactive Waste Management Complex
RWMS = Radioactive Waste Management Site
LLW = Low Level Waste
DSA = Documented Safety Analysis
Cat 2 = Category 2 Nuclear Facility
ORR = Operational Readiness Review
PoA = Plan of Action

Timely completion of each segment of measures under PO (A) allows the NNSA/NV Independent Review Team a maximum of three weeks to review each segment, including comment development, cross-table comment discussion and direction. A resulting NNSA/NV written transmittal of the review team comments will be provided at the 30%, 70%, and 95% deliverables. This written transmittal is required three calendar weeks from the submittal of the deliverable from BN to NNSA/NV. The deliverables are sequential in nature. Slipping the NNSA/NV review schedule cycle will result in a business day for day slip for subsequent deliverables.

PO (A): Provisional fee will be awarded as outlined above in fee allocation section of the PBI. Contingent upon the NNSA/NV confirming the deliverables. If it is determined that there is a technical omission or error in the final submittal (100% deliverable) on the part of the contractor that results in non-compliance with 10 CFR 830, Subpart B, and requires corrections/modifications that exceed 10% of the total project costs, the

**FY 2003 U.S. DEPARTMENT OF ENERGY
 NNSA/NV PERFORMANCE EVALUATION PLAN
 BECHTEL NEVADA--CONTRACT NUMBER DE-AC08-96NV11718
 SCORECARD NO. MIS03I-11
 AREA 3 DOCUMENTED SAFETY ANALYSIS (DSA)**

provisional fee will be forfeited. NNSA/NV review of BN accounting data will be used to monitor and track cost performance related to the contractor and is not to be represented as a result of a judgement type evaluation/assessment, a change in the material content of that which the deliverable was intended to accomplish, or a stylistic preference.

Items out of the contractors control will result in a reevaluation/renegotiation of the performance criteria.

SECTION IV EARNING SCHEDULE

4. Fee Allocation - Each objective will be allocated 50% of the fee for this scorecard.

A. Applicable fee shall be earned and payable upon completion of each deliverable as specified in the Performance Measure.

<u>Criteria met</u>	<u>50% of Available Fee</u>
Completion of the 30% deliverable by November 29, 2002	10%
Completion of the 70% deliverable by January 15, 2003	15%
Completion of the 95% deliverable by February 28, 2003	0
Completion of the finished A3 RWMS DSA and TSR by <u>April 3, 2003</u>	25% OR
Completion of the finished A3 RWMS DSA and TSR by <u>April 10, 2003</u>	15%

B. Applicable fee shall be earned and payable upon completion of each deliverable as specified in the Performance Measure.

<u>Criteria met</u>	<u>50% of Available Fee</u>
BN provides a "Readiness to Proceed" memo by <u>July 21, 2003</u> and can be operational <u>within 4 weeks</u> from receipt of the ORR report (4 weeks includes 1 week for NNSA/NV to validate closure of corrective actions required from ORR)	50% OR
BN provides a "Readiness to Proceed" memo by <u>July 21, 2003</u> and can be operational <u>within 6 weeks</u> from receipt of the ORR report (6 weeks includes 1 week for NNSA/NV to validate closure of corrective actions required from ORR)	40% OR

**FY 2003 U.S. DEPARTMENT OF ENERGY
 NNSA/NV PERFORMANCE EVALUATION PLAN
 BECHTEL NEVADA--CONTRACT NUMBER DE-AC08-96NV11718
 SCORECARD NO. MIS03I-12
 HYDROGEOLOGIC WELLS**

SECTION I - GENERAL INFORMATION	
1a. PBI Title: Hydrogeologic Wells PBI Number: MIS03I-12 Revision Number: Revision 0 Date: 9/26/02	1b. Performance Area: Mission Environmental Management
SECTION II - ACCOUNTING INFORMATION	
2a. Initial Budgeted Cost of Work Scheduled : \$11.2M	2b. Total Fee Allocated: \$738,000
SECTION III - PERFORMANCE OBJECTIVE, MEASURE AND TARGET	
3a. <u>Performance Objective</u> A. Complete all wells. Safely complete all hydrogeologic wells in support of the UGTA project during the FY within scope, schedule, and cost parameters. <u>Performance Measure</u> A. Complete four wells (hole drilled and production casing installed) as identified in the NNSA/NV approved Task Plan and cost parameters. <u>Performance Target</u> A. BN will drill and install production casings in four wells as defined in the NNSA/NV approved Task Plans within scope, and within Environmental Management Information System (EMIS) cost and schedule thresholds as defined in the fee schedule.	
3a. <u>Performance Objective</u> B. Complete Aquifer Testing and New Well Development, Testing and Sampling. Safely complete all aquifer testing and new well development, testing, and sampling in support of the UGTA project during the FY within scope, schedule and cost parameters. <u>Performance Measure</u> B. Complete all aquifer testing and new well development, testing, and sampling (sample pump installed and initial sample obtained) as identified in the NNSA/NV approved Task Plan.	

**FY 2003 U.S. DEPARTMENT OF ENERGY
NNSA/NV PERFORMANCE EVALUATION PLAN
BECHTEL NEVADA--CONTRACT NUMBER DE-AC08-96NV11718
SCORECARD NO. MIS03I-12
HYDROGEOLOGIC WELLS**

Performance Target

- B. BN will complete aquifer testing and development, testing, and sampling of all new wells identified in the NNSA/NV approved Task Plans within scope, and within EMIS cost and schedule thresholds as defined in the fee schedule.

3b. Completion/Validation

- A. Complete all wells. The cumulative time and cost of completion will be submitted to NNSA/NV by BN and compared to the approved EMIS cost and schedule.
- B. Complete Aquifer Testing and New Well Development, Testing and Sampling. The cumulative time and cost of completion will be submitted to NNSA/NV by BN and compared to the approved EMIS cost and schedule.

3c. Definitions/Clarifications

The number of wells identified were based on information obtained from existing baselines. Upon finalization of the NNSA Task Plans in September and/or if the number of wells changes throughout the year, EM will initiate a PEP Change Request to update the information.

Fee is eligible to be earned at the end of the annual performance period in which the planned drilling program is to be completed.

Fee is eligible to be earned at the end of the annual performance period in which the planned development, testing and sampling is to be completed.

Fee earned is the lower value of the calculated CPI and SPI based on the fee tables in section v of this scorecard.

Actual Cost of Work Performed (ACWP)
Budgeted Cost of Work Performed (BCWP)
Budgeted Cost of Work Scheduled (BCWS)

Cost Price Index (CPI) = $\frac{BCWP}{ACWP}$

**FY 2003 U.S. DEPARTMENT OF ENERGY
NNSA/NV PERFORMANCE EVALUATION PLAN
BECHTEL NEVADA--CONTRACT NUMBER DE-AC08-96NV11718
SCORECARD NO. MIS03I-12
HYDROGEOLOGIC WELLS**

Schedule Performance Index (SPI) = $\frac{BCWP}{BCWS}$

SECTION IV EARNING SCHEDULE

4. Fee Allocation

A. 50% of Scorecard Value

Complete four wells (hole drilled and production casing installed) as identified in the NNSA/NV approved Task Plan.

Approved EMPC Cost and Schedule Table UGTA Drilling

Within Cost Execution

100% of fee earned if the CPI for the experiment is ≥ 1.05
fee increase 0.5% for every .01 increase in CPI, $1.0 < CPI < 1.05$
97.5% of fee earned if the CPI = 1.0
80% of fee earned if the CPI = 0.9
fee decrease 1.5% for every .01 decrease in CPI, $1.0 > CPI > 0.9$
40% of fee earned if the CPI = 0.8
fee decrease 4% for every .01 decrease in CPI, $0.9 > CPI > 0.8$
0% of fee earned if the CPI < 0.8

Within Schedule Execution

100% if the SPI ≥ 0.9
40% if the SPI = 0.8
Fee decreases 6% for every 0.1 decrease in SPI, $0.9 > SPI > 0.8$
0% if the SPI < 0.8

B. 50% of Scorecard Value

Complete all aquifer testing and new well development, testing, and sampling (sample pump installed and initial sample obtained) as identified in the NNSA/NV approved Task Plan.

Approved EMPC Cost and Schedule Table UGTA Well Development and Testing

Within Cost Execution

100% of fee earned if the CPI for the experiment is ≥ 1.05
fee increase 0.5% for every .01 increase in CPI, $1.0 < CPI < 1.05$

**FY 2003 U.S. DEPARTMENT OF ENERGY
 NNSA/NV PERFORMANCE EVALUATION PLAN
 BECHTEL NEVADA--CONTRACT NUMBER DE-AC08-96NV11718
 SCORECARD NO. MIS03I-13
 TRU/MTRU WASTE OPERATIONS**

SECTION I - GENERAL INFORMATION	
1a. PBI Title: TRU/MTRU Waste Operations PBI Number: MIS03I-13 Revision Number: Revision 0 Date: 9/26/02	1b. Performance Area: Mission Environmental Management
SECTION II - ACCOUNTING INFORMATION	
2a. Initial Budgeted Cost of Work Scheduled : \$1M	2b. Total Fee Allocated: \$492,000
SECTION III - PERFORMANCE OBJECTIVE, MEASURE AND TARGET	
3a. <u>Performance Objective</u> Implement and maintain the Area 5 RWMC DSA. Implement the Area 5 RWMS DSA and begin operation of the Area 5 RWMC as a Category 2 Nuclear Facility. <u>Performance Measure</u> Implement and maintain the Area 5 RWMC DSA. Implement the Area 5 RWMS DSA and begin operation of the Area 5 RWMC as a Category 2 Nuclear Facility. <u>Performance Target</u> Implementation will include: <ol style="list-style-type: none"> 1. Develop an implementation plan and schedule for implementing conditions of approval, if any, from the Area 5 RWMC SER. 2. Submit a Plan of Action for the Contractor ORR. 3. Complete a Management Self Assessment prior to the start of the CORR. 4. Conduct the CORR and providing a copy of the Final Report to NNSA/NV. 5. Issue a Readiness to Proceed memo to NNSA/NV for commencing the NNSA/NV ORR. 	
3b. Completion/Validation Validation of the successful implementation of the Area 5 RWMC DSA will be completion of the NNSA/NV ORR and notification of authorization of to operate the Area 5 RWMC under the new DSA as a Hazard Category II facility.	

**FY 2003 U.S. DEPARTMENT OF ENERGY
NNSA/NV PERFORMANCE EVALUATION PLAN
BECHTEL NEVADA--CONTRACT NUMBER DE-AC08-96NV11718
SCORECARD NO. MIS03I-13
TRU/MTRU WASTE OPERATIONS**

NNSA/NV will approve the PoA.
NNSA/NV will review the MSA and results during the Contractor ORR.
NNSA /NV PM will review the results of the CORR.
NNSA/NV PM will validate the readiness of the contractor to proceed to the NNSA/NV ORR by reviewing the results of the MSA and CORR. In addition, the PM may review the objective evidence from the closure packages from the CORR Prestart findings.
NNSA Project Manager will endorse the BN "Readiness to Proceed" Memorandum.

3c. Definitions/Clarifications

RWMC = Radioactive Waste Management Complex
ORR = Operational Readiness Review
TRU/MTRU = Transuranic and Mixed Transuranic Waste
DSA = Documented Safety Analysis
Cat 2 = Category 2 Nuclear Facility
PoA = Plan of Action
MSA = Management Self Assessment

1. NNSA/NV will return a Safety Evaluation Report for the Area 5 DSA on or before November 15, 2002. Delivery after November 15, 2002, will result in a day for day slip of the remainder of the schedule.
2. Items out of the contractor's control may result in reevaluations/renegotiation of the performance criteria.

SECTION IV EARNING SCHEDULE

4. Fee Allocation

100% will be paid if BN provides a "Readiness to Proceed" memo to NNSA/NV on or before February 15, 2003.

80% of the fee will be paid if BN provides a "Readiness to Proceed" memo to NNSA/NV after February 15, 2003, but on or before March 17, 2003.

**FY 2003 U.S. DEPARTMENT OF ENERGY
 NNSA/NV PERFORMANCE EVALUATION PLAN
 BECHTEL NEVADA--CONTRACT NUMBER DE-AC08-96NV11718
 SCORECARD NO. MIS03A-14
 ENVIRONMENTAL MANAGEMENT ACTIVITIES**

SECTION I - GENERAL INFORMATION	
<p>1a. PO Title: Environmental Management Activities PO Number: MIS03A-14 Revision Number: Revision 0 Date: 9/26/02</p>	<p>1b. Performance Area: Mission Environmental Management</p>
SECTION II - ACCOUNTING INFORMATION	
<p>2a. Initial Budgeted Cost of Work Scheduled :</p>	<p>2b. Total Fee Allocated: \$738,000</p>
SECTION III - PERFORMANCE OBJECTIVE, MEASURE AND TARGET	
<p>3a. <u>Performance Objective</u> - Environmental Management Information System</p> <p>A. Provide technical, execution year, lifecycle baseline, and performance data in conformance with DOE Orders 430.1 and 413.3 and NNSA/NV EM requirements. Load, maintain and configuration manage BN data within EMIS.</p> <p><u>Performance Target</u></p> <p>A. Complete the following:</p> <ol style="list-style-type: none"> 1. Develop scopes of work, integrated critical path, resource-loaded project schedules and detailed basis of estimates in support of execution year planning and life-cycle baselines for each Environmental Management Project. 2. Enter, maintain, status, trend and report data into the Environmental Management Information System (EMIS) and enter all associated technical data into EMIS. Technical data to be loaded includes all historical and current regulatory documents (CAPs, Crs and SAFERs), key plans and reports (PA/CA, WAC, Integrated Closure Plan, annual monitoring reports, safety authorization basis documents, etc.), data routinely used to develop ad hoc data calls (waste volumes, etc.), and other data as identified by NNSA/NV EM. Data entered into EMIS will be fully auditable and favorably supported by internal and external reviewers, performance of projects against the baselines will be within established thresholds and all required project technical data will be within EMIS. 	

**FY 2003 U.S. DEPARTMENT OF ENERGY
NNSA/NV PERFORMANCE EVALUATION PLAN
BECHTEL NEVADA--CONTRACT NUMBER DE-AC08-96NV11718
SCORECARD NO. MIS03A-14
ENVIRONMENTAL MANAGEMENT ACTIVITIES**

3a.

Performance Objective - Advanced Monitoring System Initiative

- B. Deploy four sensors by providing field engineering, logistical and technical support to web-based monitoring at various locations within the Nevada Test Site (NTS).

Performance Target

B. Complete the following:

1. Perform necessary field engineering of laboratory sensors scheduled for field testing.
2. Develop test bed locations at various locations on the NTS to host scheduled sensor testing for both activities funded EM and other customers.
3. Develop and provide the associated logistical and technical support including communications for sensor testing and demonstration.

3a.

Performance Objective - Borehole Management

- C. Safely complete site preparation, of boreholes in support of the Borehole Management Program.

Performance Target

C. Complete surface preparation for 100 boreholes.

3a.

Performance Objective - Disposal of Low-Level Waste

- D. Maintain immediate capacity to dispose of the total final forecast of LLW or all LLW received at the NTS for FY03, meeting all state and federal regulations and NNSA/NV Integrated Safety Management Systems (ISMS) requirements.

Performance Target

D. Complete the following:

1. Maintain the necessary resources, i.e. trained personnel, certified equipment, calibrated instrumentation, and immediate available disposal capacity, to dispose of the total final forecast of LLW, or all LLW received at the NTS for FY 03.

**FY 2003 U.S. DEPARTMENT OF ENERGY
NNSA/NV PERFORMANCE EVALUATION PLAN
BECHTEL NEVADA--CONTRACT NUMBER DE-AC08-96NV11718
SCORECARD NO. MIS03A-14
ENVIRONMENTAL MANAGEMENT ACTIVITIES**

2. All LLW sent to the NTS must not be rejected due to failure to properly implement ISMS, incidents/errors/omissions/voluntary shut-downs that cause closure of the RWMS and RWMC, etc.

3b. Completion/Validation

Performance Objectives (POs) will be evaluated on an annual basis. Evaluation of POs is not limited to the specific objective/targets. POs also recognize all the contract efforts not given incentive fee consideration.

3c. Definitions/Clarifications

The evaluation of the Contractor's performance, the determination with respect to the entitlement of award fee or the amount thereof by the Fee Determination Official, and implementation thereof by the contract amendment shall be final and is not subject to the "Disputes" clause of this contract.

**FY 2003 U.S. DEPARTMENT OF ENERGY
 NNSA/NV PERFORMANCE EVALUATION PLAN
 BECHTEL NEVADA--CONTRACT NUMBER DE-AC08-96NV11718
 SCORECARD NO. MIS03A-15
 ENHANCE NATIONAL SECURITY CAPABILITIES**

SECTION I - GENERAL INFORMATION	
1a. PO Title: Enhance National Security Capabilities PO Number: MIS03A-15 Revision Number: Revision 0 Date: 9/26/02	1b. Performance Area: Mission
SECTION II - ACCOUNTING INFORMATION	
2a. Initial Budgeted Cost of Work Scheduled : _____	2b. Total Fee Allocated: \$492,000
SECTION III - PERFORMANCE OBJECTIVE, MEASURE AND TARGET	
3a. <u>Performance Objective</u> - Hard Target Defeat/Counter-Proliferation Program A. Provide engineering design, construction, scientific, diagnostic, testing, logistic, planning and management support to the Defense Threat Reduction Agency (DTRA) projects.	
<u>Performance Target</u> A. Preparation and construction activities in accordance with criteria/guidance provided by DTRA / NV testing personnel. Following successful execution, clean up and some reconstitution of the test bed(s) may be required in order to evaluate the overall results of the HTD test event.	
<u>Performance Objective</u> - Counterintelligence B. Develop and execute a Counterintelligence (CI) Program that follows CI regulatory and procedural requirements and supports the mission.	
<u>Performance Target</u> A. 1. Provide CI and Counterterrorism (CT) focused threat intelligence, strategic and tactical that supports the NNSA/DOE personnel, programs, resources, and information.	

**FY 2003 U.S. DEPARTMENT OF ENERGY
NNSA/NV PERFORMANCE EVALUATION PLAN
BECHTEL NEVADA--CONTRACT NUMBER DE-AC08-96NV11718
SCORECARD NO. MIS03A-15
ENHANCE NATIONAL SECURITY CAPABILITIES**

2. Conduct CI and CT investigations, briefings and debriefings that detect, identify, deter, and neutralize threats to NNSA/DOE personnel, programs, resources, and information.
3. Perform CI Information Technology (IT) activities to support the protection of the NNSA/DOE information architecture; deter, detect and neutralize technical attacks and collection directed by foreign intelligence and international terrorist elements against NNSA/DOE. Provide information systems and other technology-based tools required by CI personnel.
4. Conduct comprehensive CI reviews of personnel security files.
5. Conduct effective training that ensures the NNSA/DOE workforce understands the foreign intelligence and international terrorist threat, possesses the requisite skills and knowledge to meet their responsibilities within the CI Program. Also that CI personnel possess the training and education to meet and develop their skill requirements to an expert level.

Performance Objective - National Security Response

- C. Provide ER assets to support national readiness activities that are a critical part of the U.S. response to the war on terrorism.

Performance Target

- C. 1. Preparation of ER assets
- a. Ensure safety is considered at every level, and integrated throughout the planning and preparation phases of all responses.
 - b. Update formal documentation and communication needed to ensure readiness of national assets.
 - c. Ensure work control measures are utilized in daily activities and lessons-learned reports are discussed at work planning meetings.
2. Timeliness of execution of ER activities
- a. Meet documented response-time requirements throughout operations.
 - b. Maintain current callout rosters of all BN and NNSA/NV responder personnel.
 - c. Utilize the RSL-Nellis Dialogics System for emergency callout.

**FY 2003 U.S. DEPARTMENT OF ENERGY
NNSA/NV PERFORMANCE EVALUATION PLAN
BECHTEL NEVADA--CONTRACT NUMBER DE-AC08-96NV11718
SCORECARD NO. MIS03A-15
ENHANCE NATIONAL SECURITY CAPABILITIES**

3. Effectiveness of execution of ER activities
 - a. Make safety a number one priority to ensure safe implementation of the mission and operations, and the safety of all personnel.
 - b. Utilize the lessons-learned reports compiled after exercises, training, and actual responses to improve the effectiveness and execution of activities.
 - c. Ensure ER event/drill execution meets with NNSA/NV expectations.

4. Effectiveness in adapting to a wide variety of mission parameters/possibilities
 - a. Utilize the RSL-Nellis Training, Exercises, and Readiness Assurance (TERA) section to explore new training venues and opportunities, based upon real-world events.
 - b. Continue to investigate Technical Integration prospects to remain on the leading edge of current technological applications.

5. Strategic/Programmatic Objectives
 - Provide assets to support national ER activities, counter terrorism activities, state, and local Environmental Management operations delineated by DOE Orders, DOE/NNSA HQ work authorization statements, and the NNSA/NV strategic plan.

6. EMD Program Reports
 - a. A monthly status report on all EMD programs will be provided to EMD 30 days after the end of the month of execution.
 - b. Provide a Quarterly Technical Status Report, which includes all CTT NNSA/DOE/IWFO/WFO projects and tasks, 20 working days after the conclusion of each quarter.
 - c. Provide a monthly status reports entitled *DOJ WMD Interagency Agreement Report and the Domestic Preparedness Monthly Invoice Summary Report* to EMD and DOJ within 15 days of month end.
 - d. Provide a monthly NRAT Readiness Evaluation and Report System (REARS) report to EMD 15 working days after the conclusion of each month.
 - e. Provide a Special Nuclear Program (SNP) quarterly report 20 working days after the conclusion of each quarter.

**FY 2003 U.S. DEPARTMENT OF ENERGY
NNSA/NV PERFORMANCE EVALUATION PLAN
BECHTEL NEVADA--CONTRACT NUMBER DE-AC08-96NV11718
SCORECARD NO. MIS03A-15
ENHANCE NATIONAL SECURITY CAPABILITIES**

Performance Objective - Nevada Test Site (NTS) Disposition

- D. Provide NTS infrastructure support for the disposition of nuclear weapons, devices or nuclear components at the NTS through the identification and implementation of critical procedures.

Performance Target

- D. Develop, maintain and implement critical procedures necessary to support the NTS infrastructure for nuclear weapons, devices or nuclear weapons and maintain these procedures in a controlled manner.

3b. Completion/Validation

Performance Objectives (POs) will be evaluated on an annual basis. Evaluation of POs is not limited to the specific objective/targets. POs also recognize all the contract efforts not given incentive fee consideration.

3c. Definitions/Clarifications

The evaluation of the Contractor's performance, the determination with respect to the entitlement of award fee or the amount thereof by the Fee Determination Official, and implementation thereof by the contract amendment shall be final and is not subject to the "Disputes" clause of this contract.

**FY 2003 U.S. DEPARTMENT OF ENERGY
NNSA/NV PERFORMANCE EVALUATION PLAN
BECHTEL NEVADA--CONTRACT NUMBER DE-AC08-96NV11718**

OPERATIONS SECTION

	<u>FEE WEIGHT</u>	<u>FEE ALLOCATION</u>
PERFORMANCE CATEGORY: OPERATIONS	35%	\$8,610,000
OPS03A-01 Comprehensive Incentive 1. Project Management 2. Business Management a. Human Capital Management b. Financial Management c. Business Efficiencies 3. Safe & Secure Operations a. Integrated Safety Management b. Integrated Safeguards & Security Management c. Facility Efficiencies d. Occurrence Reporting System	25%	\$6,150,000
OPS03I-02 Asset Management	2%	\$492,000
OPS03I-03 Facility Construction - RTBF 1. U1h Shaft Construction 2. U1a Complex Air Building 3. U1a Underground Emergency Alarm System	1%	\$246,000
OPS03I-04 Facility & Infrastructure Construction	2%	\$492,000
OPS03A-05 Nuclear Operations Safety Management Readiness 1. Facility Safety Basis/TSR Program 2. Facility Readiness Review Program 3. Unreviewed Safety Question Program 4. Quality Assurance Program	5%	\$1,230,000

**FY 2003 U.S. DEPARTMENT OF ENERGY
 NNSA/NV PERFORMANCE EVALUATION PLAN
 BECHTEL NEVADA--CONTRACT NUMBER DE-AC08-96NV11718
 SCORECARD NO. OPS03A-01
 COMPREHENSIVE INCENTIVE**

SECTION I - GENERAL INFORMATION	
1a. PO Title: Comprehensive Incentive PO Number: OPS03A-01 Revision Number: Revision 0 Date: 9/26/02	1b. Performance Area: Operations
SECTION II - ACCOUNTING INFORMATION	
2a. Initial Budgeted Cost of Work Scheduled : _____	2b. Total Fee Allocated: \$6,150,000
SECTION III - PERFORMANCE OBJECTIVE, MEASURE AND TARGET	
3a. <u>Performance Objective</u> - Project Management	
A. Ensure effective and efficient project management in support of missions.	
<u>Performance Target</u> A. Perform the following:	
<ol style="list-style-type: none"> 1. Manage all NNSA/NV Projects in accordance with generally excepted project management concepts / principals. Demonstrate proficiency in achieving project's programmatic objectives and effective project management to ensure cost efficiency and timely performance with quality results. 2. Complete all FY 2003 projects not already tied to fee-bearing milestones using "good management practices" in order to meet or exceed the expected level of performance. 3. Modify and maintain existing systems, processes, and procedures to track performance on <u>all</u> capital projects on a cumulative basis over the life-of-the-projects. The modifications shall address the life-cycle baselines concerns from the June 2002 Project Management Capabilities and Practices Review. 	
<u>Performance Objective</u> - Business Management	
B. Maintain sound business management practices in support of missions.	

**FY 2003 U.S. DEPARTMENT OF ENERGY
NNSA/NV PERFORMANCE EVALUATION PLAN
BECHTEL NEVADA--CONTRACT NUMBER DE-AC08-96NV11718
SCORECARD NO. OPS03A-01
COMPREHENSIVE INCENTIVE**

Performance Target

B. Perform the following:

1. Human Capital Management
 - a. Ensure continuity of "key personnel" for the duration of the contract.
 - b. Decrease supervisory to employee ratio.
 - c. Develop a Human Capital Management Plan addressing current staffing mix and issues associated with effective workforce maintenance and utilization through a five year planning period.

2. Financial Management
 - a. Ensure accurate and timely reporting of financial data.
 - b. Increase the ratio of direct to indirect costs while maintaining acceptable service levels.
 - c. Manage carryover funding consistent with Departmental guidelines and benchmarks.

3. Business Efficiencies
 - a. Ensure availability of critical communication systems.
 - b. Achieve timely and effective upgrade of the telephone switch.
 - c. Maintain high level of support and show progress toward cost effective implementation of information technology and E commerce initiatives including but not limited to:
 - (1) Maintain schedules and/or complete information technology initiatives including BMIS, Business Applications Modernization Project, electronic timekeeping and travel.
 - (2) Maintain schedules and/or complete procurement electronic commerce initiatives such as identified in the Business Application Modernization Plan.

Performance Objective - Safe and Secure Operations

- C. Ensure safe, secure, sustainable, and environmentally responsible facilities and operations in support of missions.

Performance Target

C. Perform the following:

1. Integrated Safety Management (ISM)
 - a. Conduct 13 ES&H self-assessments before June 1, 2003.
 - b. Track and trend data collected from: Performance Based Safety Program Observations, Safety incidents (first aid, TRC, RWC, LWC), ES&H Self-Assessments, Price Anderson Amendment Act (PAAA) Non-compliance

**FY 2003 U.S. DEPARTMENT OF ENERGY
NNSA/NV PERFORMANCE EVALUATION PLAN
BECHTEL NEVADA--CONTRACT NUMBER DE-AC08-96NV11718
SCORECARD NO. OPS03A-01
COMPREHENSIVE INCENTIVE**

- Tracking System (NTS) and non-NTS nuclear safety incidents, environmental releases/violations, or Six Sigma Process Improvements. BN must demonstrate to NNSA/NV that the data collected and trended has led to process improvements for NNSA/NV customers.
- c. The contractor will not receive any environmental or Price Anderson Amendment Act Notice of Violations.
 - d. Track and trend ISM Performance Metrics which includes Total Recordable Case Rate, OSHA Cost Index, Radiation exposure to workers, Radiation exposure to public, and environmental spills.
2. Integrated Safeguards and Security Management (ISSM)
- a. In accordance with the provisions of DOE Policy P470.1, implement a BN ISSM program.
 - b. Maintain records of security refresher training attendance.
 - c. Submit reports of security incident and threats as required.
 - d. Conduct security self-assessments as required.
 - e. Annotate above-listed plans to reflect annual review.
 - f. Monitor and evaluate the monthly collection of OPSEC sensitive waste from designated lockable receptacles.
 - g. Provide feedback and trend analysis as a means to measure performance and enhance process improvement.
 - h. Issue a letter formally declaring implementation of ISSM by September 1, 2003.
3. Facility Efficiencies
- a. Develop and submit a maintenance plan by January 1, 2003, that will ensure the readiness and availability of facilities and infrastructure to meet mission requirements. The plan will clearly delineate facilities and infrastructure by direct and indirect funded maintenance. The plan will have an appendix that will list each facility/infrastructure and provide details if the facility/infrastructure is direct or indirect funded. The key components of this plan as a minimum are the following: (1) the identification, inventory, and assessments of the condition of physical assets in the maintenance program; (2) the establishment of prioritized requirements, and budgets to maintain physical assets in a condition suitable for their intended use as provided in the TYCSP; and (3) a configuration management process to ensure the integrity of physical assets.
 - b. Schedule, coordinate and perform preventive, predictive, and corrective maintenance that will support the goal of addressing and reducing the NNSA/NV deferred maintenance backlog in accordance with the deferred maintenance commitment from the Summit conducted in Washington on July 25, 2002.

**FY 2003 U.S. DEPARTMENT OF ENERGY
NNSA/NV PERFORMANCE EVALUATION PLAN
BECHTEL NEVADA--CONTRACT NUMBER DE-AC08-96NV11718
SCORECARD NO. OPS03A-01
COMPREHENSIVE INCENTIVE**

Performance Objective - Occurrence Reporting Systems (ORPS)

D. Ensure ORPS reporting requirements are met consistently and within the allowed time frames.

Performance Target

D. Perform the following:

1. BN will ensure that ORPS Reports are filed as "final" within 45 days after the ORPS is categorized. The number of requests for filing extensions beyond 45 days will be reduced to two per year.
2. BN will develop a formalized process for informing NNSA/NV of potential near misses, potential ORPS reportables, or other safety related issues identified in facilities at NLV, Nevada Test Site (NTS) and associated NNSA/NV Off-Site facilities (i.e. Remote Sensing Laboratory in Andrews and Nellis Air Force Bases).
3. BN will assist in preparing a Quarterly Report to the NNSA/NV ORPS Manager and the NV Independent Oversight Division Director describing the trends discovered within ORPS for NNSA/NV facilities. This report will be transmitted to NNSA within two weeks after each CY Quarter.
4. ORPS Training/Re-training will be conducted for all BN Facility Managers (FM) and appropriate staff level personnel as part of a qualification process for Facility Managers.
5. ORPS report generators and reviewers of corrective actions will provide realistic target dates for CA closures. No more than 5 corrective actions have missed the target date before final closure.

3b. Completion/Validation

Performance Objectives (POs) will be evaluated on an annual basis. Evaluation of POs is not limited to the specific objective/targets. POs also recognize all the contract efforts not given incentive fee consideration.

3c. Definitions/Clarifications

The evaluation of the Contractor's performance, the determination with respect to the entitlement of award fee or the amount thereof by the Fee Determination Official, and implementation thereof by the contract amendment shall be final and is not subject to the "Disputes" clause of this contract.

**FY 2003 U.S. DEPARTMENT OF ENERGY
 NNSA/NV PERFORMANCE EVALUATION PLAN
 BECHTEL NEVADA--CONTRACT NUMBER DE-AC08-96NV11718
 SCORECARD NO. OPS03I-02
 ASSET MANAGEMENT**

SECTION I - GENERAL INFORMATION	
1a. PBI Title: Asset Management PBI Number: OPS03I-02 Revision Number: Revision 0 Date: 9/26/02	1b. Performance Area: Operations
SECTION II - ACCOUNTING INFORMATION	
2a. Initial Budgeted Cost of Work Scheduled : \$3.3M	2b. Total Fee Allocated: \$492,000
SECTION III - PERFORMANCE OBJECTIVE, MEASURE AND TARGET	
<p>3a.</p> <p><u>Performance Objective</u> - Ten Year Comprehensive Site Plan</p> <p>A. Submit the FY 2004 Ten Year Comprehensive Site Plan (TYCSP) in accordance with NNSA/HQ/NA-52 guidance within scope, cost and schedule parameters.</p> <p><u>Performance Measure</u></p> <p>A. Submit draft and final plans to NNSA/NV in accordance with schedule agreed upon between NNSA/NV and BN in October 2002.</p> <p><u>Performance Target</u></p> <p>A. Submit the FY 2004 TYSCP in accordance with NNSA/HQ/NA-52 guidance and schedule. The plan will include:</p> <ol style="list-style-type: none"> 1. Resolve and incorporate all NNSA/HQ/NA-52 comments from the final FY03 TYCSP 2. Include HQ mandated maintenance plan with current deferred maintenance data 3. Include summary level data regarding the results of the FY02 CAS 4. Include summary level data regarding the results of the FY02 white papers for the road, water, and communication systems 5. Include HQ mandated Facility Disposition Plan 6. Expand the discussion on future requirements of NNSA/NV capital construction investment, infrastructure (i.e. water/sewer/power/road/communication) requirements and consolidate requirements from other NNSA/NV or WFO organizations on the NTS 	

**FY 2003 U.S. DEPARTMENT OF ENERGY
NNSA/NV PERFORMANCE EVALUATION PLAN
BECHTEL NEVADA--CONTRACT NUMBER DE-AC08-96NV11718
SCORECARD NO. OPS03I-02
ASSET MANAGEMENT**

3a.

Performance Objective - Infrastructure Assessment

- B. Reassess facilities with the Condition Assessment Survey (CAS) to include general infrastructure, building infrastructure, and building support within scope, cost, and schedule parameters.

Performance Measure

- B. Provide an easily readable summary analysis of facilities and infrastructure condition utilizing the Infrastructure Assessment methodology developed in FY 2002. Integrate the facility ratings with the infrastructure ratings to provide ratings by area. Provide a database on the condition of the infrastructure to develop Line Item, General Plant, or Maintenance and Repair projects for the next 5-10 years and beyond.

Performance Target

- B. Submit a report of the condition of all of the active facilities and infrastructure remaining after the FY 02 assessment survey and populate the Facility Information Management System (FIMS) with the data from the FY 03 Condition Assessment Survey (CAS) by August 31, 2003.

3a.

Performance Objective - Asset Disposition

- C. Maintain an Excess Facilities and Infrastructure Disposition Plan and dispose of facilities that no longer support NNSA/NV mission(s), program(s), and/or initiatives within scope, cost, and schedule parameters.

Performance Measure

- C. Dispose of 29 facilities identified as excess facilities as agreed upon between BN and NNSA/NV.

Performance Target

- C. Dispose of the 29 facilities agreed upon between BN and NNSA/NV by March 31, 2003.

3a.

Performance Objective - Equipment Modernization

- D. Develop a comprehensive strategy for replacing and modernizing the heavy duty motor vehicle fleet and the heavy mobile construction equipment.

**FY 2003 U.S. DEPARTMENT OF ENERGY
NNSA/NV PERFORMANCE EVALUATION PLAN
BECHTEL NEVADA--CONTRACT NUMBER DE-AC08-96NV11718
SCORECARD NO. OPS03I-02
ASSET MANAGEMENT**

Performance Measure

D. Develop a strategy and review the current heavy vehicle and heavy mobile construction equipment inventories for priority of replacement. Submit a plan for acquisition of replacement equipment and disposal of replaced assets.

Performance Target

D. Submit a draft strategy and replacement/disposal plan to NNSA/NV by January 30, 2003. Submit the final replacement/disposal plan with the draft FY 04 TYCSP and include the results in the TYCSP.

3b. Completion/Validation

- A. Draft and final plans submitted to NNSA/NV on schedule and in accordance with NNSA/HQ/NA-52 guidance. All NNSA/NV and HQ comments addressed, approved by NNSA/NV, and incorporated in one iteration.
- B. The report is to consist of a one page summary of each facility or infrastructure system. The report will include an overall assessment and an assessment of each of the elements of the condition assessment. The format of the report will include the title of the element, the condition rating (i.e. excellent, good, fair, poor), the projected time frame for needed maintenance/repair, and brief specific comments of the findings of the assessment.

A physical audit of the facilities and infrastructure assessments utilizing an Attribute Sampling methodology 6 months into the performance period (October 1, 2002 through September 30, 2003) and determine if the data collected is consistent, accurate, and meaningful. Data sampled should be 90% accurate at a 95% confidence level. Both facilities and infrastructure will be audited. If the audits find the data collected in the first 6 months of the performance period to be less than 90% accurate the facilities and infrastructure affected will be reassessed and the data corrected. If no problems are found at the 6 month interval, an audit of new data entered will be conducted against the same accuracy standards. Then at the 9-month point the data (a mixture of corrected and new data) will be audited again. If the audit finds the data to be at least 90% accurate, then the database will be considered acceptable.

After the data has been determined to be accurate, BN will input and audit 100% of the data into the FIMS database. BN will formally notify NNSA/NV that entry of the data from the Condition Assessment Surveys has been populated in the FIMS database via submission of a

**FY 2003 U.S. DEPARTMENT OF ENERGY
NNSA/NV PERFORMANCE EVALUATION PLAN
BECHTEL NEVADA--CONTRACT NUMBER DE-AC08-96NV11718
SCORECARD NO. OPS03I-02
ASSET MANAGEMENT**

completion report. NNSA/NV will assess a random set of data element reports to validate and accept the overall quality of data input into FIMS.

- C. Removal of the 29 facilities from the BN Property database on or before March 31, 2003 verifiable in the BN Property Database.
- D. The strategy and review should determine whether leasing or purchase is the most cost effective method to replace and modernize the fleets on a class by class basis. All classes of heavy vehicles and construction equipment should be included in the review. Once the determination for replacement has been made and the strategy of lease versus purchase has been determined, a plan, by FY, for acquisition by either lease or purchase will be prepared and will also include a plan for the disposal of replaced assets. The results will be incorporated in the Ten Year Comprehensive Site Plan. The strategy and resulting execution plan will be updated on a yearly basis to fit the needs of the TYCSP.

3c. Definitions/Clarifications

Ten Year Comprehensive Site Plan (TYCSP)
Condition Assessment Survey (CAS)
Facility Information Management System (FIMS)

Historical repair analysis will be conducted on water/sewer systems. If concerns are identified, further analysis/inspection will be conducted as agreed upon by NNSA/NV and BN.

Report delivered on time includes having the CAS and FIMS database updated and the Comprehensive Project List updated on the web.

General infrastructure includes the power systems, water, sewer, roads and grounds, building infrastructure, and building support infrastructure.

Building infrastructure includes the electrical, plumbing, HVAC, lighting, roof, protective coatings, windows, vacuum, compressed air, fire protection, etc. systems. Generally these are within the 5-foot line of the building, but will include the service entrances for each utility.

Building support infrastructure includes landscaping, sidewalks, parking lots, driveways, landscaping sprinkler systems, etc.

Funding for Asset Disposition will be available to BN no later than October, 2002.

**FY 2003 U.S. DEPARTMENT OF ENERGY
NNSA/NV PERFORMANCE EVALUATION PLAN
BECHTEL NEVADA--CONTRACT NUMBER DE-AC08-96NV11718
SCORECARD NO. OPS03I-02
ASSET MANAGEMENT**

SECTION IV EARNING SCHEDULE

4. Fee Allocation

A. Ten Year Comprehensive Site Plan. 25% of scorecard value

Draft FY 2004 (TYCSP) submitted on schedule and within cost. 50%
Final FY 2004 (TYCSP) submitted on schedule and within cost. 50%

B. Infrastructure Assessment. 25% of scorecard value

Complete the Condition Assessment Survey (CAS), audit of the data, populate FIMS, and submit report

100% if completed on schedule and within cost
50% if completed 1-30 days late
0% if completed > 30 days late

C. Asset Disposition. 25% of scorecard value

100% if all 29 facilities are completed on schedule and within cost
60% if all 29 facilities are completed by June 30, 2003 and within cost
30% if all 29 facilities are completed by September 30, 2003, and within cost
0 % if all 29 facilities are not completed

D. Equipment Modernization. 25% of scorecard value

Submit strategy and draft plan on schedule. 50%
Submit final plan and incorporate in TYCSP. 50%

Fee for Performance Based Incentives is paid upon the completion of each discrete incentive expectation. At the conclusion of the performance period NNSA/NV will validate performance against all requirements specified in this performance measure. In the event performance is considered less than the level of performance expected, the amount of fee earned will be adjusted accordingly, to include interest in accordance with contract clause I.47 Interest (June 1996).

**FY 2003 U.S. DEPARTMENT OF ENERGY
 NNSA/NV PERFORMANCE EVALUATION PLAN
 BECHTEL NEVADA--CONTRACT NUMBER DE-AC08-96NV11718
 SCORECARD NO. OPS03I-03
 FACILITY CONSTRUCTION--RTBF**

SECTION I - GENERAL INFORMATION	
1a. PBI Title: Facility Construction - RTBF PBI Number: OPS03I-03 Revision Number: Revision 0 Date: 9/26/02	1a. Performance Area: Operations
SECTION II - ACCOUNTING INFORMATION	
2a. Initial Budgeted Cost of Work Scheduled : \$113M	2b. Total Fee Allocated: \$246,000
SECTION III - PERFORMANCE OBJECTIVE, MEASURE AND TARGET	
<p>3a.</p> <p><u>Performance Objective</u></p> <p>A. Replace the Air Building at the Ula Complex with a new metal building.</p> <p><u>Performance Measure</u></p> <p>A. Execute the necessary additional engineering, procurement and construction work on this project, as funds are available, in order to replace the existing air building with a new metal building of a similar size and complete the project by the end of FY 2003. Procure and erect the new metal building and complete the project by the end of FY 2003. Maintain safety and environmental compliance in the performance of U1a construction.</p> <p><u>Performance Target</u></p> <p>A. 1. Let contract for air building replacement by December 31, 2002.</p> <p style="padding-left: 40px;">2. Remove existing air building, complete construction of new metal building and achieve beneficial occupancy (as agreed by NNSA, LANL & BN) by September 30, 2003.</p>	
<p><u>Performance Objective</u></p> <p>B. Upgrade the Ula Complex for future subcritical experiments as required by the NNSA Campaigns and Directed Stockpile Workload.</p> <p><u>Performance Measure</u></p> <p>B. Demonstrate proficiency in achieving Ula Complex upgrades and effective project management ensuring cost efficient and timely performance with quality results to enhance the safety of operations at the U1a Complex.</p>	

**FY 2003 U.S. DEPARTMENT OF ENERGY
NNSA/NV PERFORMANCE EVALUATION PLAN
BECHTEL NEVADA--CONTRACT NUMBER DE-AC08-96NV11718
SCORECARD NO. OPS03I-03
FACILITY CONSTRUCTION--RTBF**

Performance Target

- B. Complete installation of the Ula Complex alarm system upgrades by January 31, 2003.
CPI/SPI for U1a Complex alarm system.

Performance Objective

- C. Complete the original scope of the U1h Shaft Construction project by equipping the U1h shaft with shaft steel, skip, cage, ventilation ducting, and a completely new hoisting system.

Performance Measure

- C. Execute the necessary additional procurement and construction work on this project, as funds are available, in order to complete the project as soon as possible (currently projected in December 2003). Procure the remaining electrical equipment, hoist house, and shaft steel in FY03 and construct the hoist and hoist house foundation, set the new hoist, construct the new electrical substation, and erect the shaft steel. Maintain safety and environmental compliance in the performance of U1h construction.

Performance Target

- C. 1. Let contracts for U1h electrical equipment, shaft steel, and hoist house by December 31, 2002
2. Install foundations for U1h hoist and hoist house by December 31, 2002.
3. Complete shaft steel, hoist and hoist house installation by June 30, 2003.
4. Complete construction of new electric substation by September 30, 2003.

3b. Completion/Validation

- A. 1. BN will submit progress reports to NNSA/NV.
2. Completion of Ula Air Building will be validated from observed project progress, completed contracts, installation of equipment, walkthroughs and assessments.
- B. 1. BN will submit progress reports to NNSA/NV.
2. Completion of Ula Complex upgrades will be validated from observed project progress, completion of procurements, and installation of equipment.
- C. 1. BN will submit progress reports to NNSA/NV.
2. Completion of U1h Shaft project will be validated from observed project progress, completed contracts, installation of equipment, walkthroughs and assessments.

**FY 2003 U.S. DEPARTMENT OF ENERGY
 NNSA/NV PERFORMANCE EVALUATION PLAN
 BECHTEL NEVADA--CONTRACT NUMBER DE-AC08-96NV11718
 SCORECARD NO. OPS03I-03
 FACILITY CONSTRUCTION--RTBF**

SECTION IV - EARNING SCHEDULE

4. Fee Allocation

A. <u>Criteria Met</u>	<u>% of Available Fee Paid</u>
1. Let building contract	40%
2. Complete construction and achieve beneficial occupancy	60%

B. <u>Criteria Met</u>	<u>% of Available Fee Paid</u>
1. U1a Complex Alarm System Milestone	70%
2. CPI/SPI for U1a Complex Alarm System	30%

Within Cost Execution

100% of fee earned if the CPI for the experiment is ≥ 1.05
 fee increase 0.5% for every .01 increase in CPI, $1.0 < \text{CPI} < 1.05$
 97.5% of fee earned if the CPI = 1.0
 80% of fee earned if the CPI = 0.9
 fee decrease 1.5% for every .01 decrease in CPI, $1.0 > \text{CPI} > 0.9$
 40% of fee earned if the CPI = 0.8
 fee decrease 4% for every .01 decrease in CPI, $0.9 > \text{CPI} > 0.8$
 0% of fee earned if the CPI < 0.8

Within Schedule Execution

100% of fee earned if the SPI for the project is ≥ 1.00
 95% of fee earned if the SPI for the project is $1.00 > \text{SPI} \geq 0.95$
 90% of fee earned if the SPI for the project is $0.95 > \text{SPI} \geq 0.90$
 80% of fee earned if the SPI for the project is $0.90 > \text{SPI} \geq 0.85$
 40% of fee if the SPI for the project is $0.85 > \text{SPI} \geq 0.80$
 0% of fee earned if SPI for the project is < 0.8

C. <u>Criteria Met</u>	<u>% of Available Fee Paid</u>
1. Let contracts	25%
2. Install foundations	25%
3. Complete installation	25%
4. Complete construction of electric substation	25%

**FY 2003 U.S. DEPARTMENT OF ENERGY
 NNSA/NV PERFORMANCE EVALUATION PLAN
 BECHTEL NEVADA--CONTRACT NUMBER DE-AC08-96NV11718
 SCORECARD NO. OPS03I-03
 FACILITY CONSTRUCTION--RTBF**

SECTION V - SIGNATURES	
5a. Responsible NV Assistant Manager _____ Deborah D. Monette Date NV AMNS	Responsible BN Assistant General Manager _____ Roger Flanagan Date BN Assistant GM
5b. Concurred by NV _____ Melody C. Bell Date Director CPMD	Concurred by BN _____ Harry J. Saxton Date Deputy GM Programs
5c. Approved by NV _____ Kenneth W. Powers Date Contracting Officer	Approved by BN _____ Frederick A. Tarantino Date President and General Manager

**FY 2003 U.S. DEPARTMENT OF ENERGY
 NNSA/NV PERFORMANCE EVALUATION PLAN
 BECHTEL NEVADA--CONTRACT NUMBER DE-AC08-96NV11718
 SCORECARD NO. OPS03I-04
 FACILITY AND INFRASTRUCTURE CONSTRUCTION**

SECTION I - GENERAL INFORMATION	
<p>1a. PBI Title: Facility & Infrastructure Construction PBI Number: OPS03I-04 Revision Number: Revision 0 Date: 9/26/02</p>	<p>1b. Performance Area: Operations</p>
SECTION II - ACCOUNTING INFORMATION	
<p>2a. Initial Budgeted Cost of Work Scheduled : \$ 20.1M</p>	<p>2b. Total Fee Allocated: \$492,000</p>
SECTION III - PERFORMANCE OBJECTIVE, MEASURE AND TARGET	
<p>3a. <u>Performance Objective</u> A. Facilities and Infrastructure Recapitalization Program (FIRP) Project Planning. Improve the planning of Infrastructure FIRP, General Plant Projects (GPP), and Operating Expense projects. In FY 2003, develop pre-conceptual and conceptual design reports for FY 2004 FIRP projects.</p> <p><u>Performance Measure</u> A. Facilities and Infrastructure Recapitalization Program (FIRP) Project Planning. BN will complete conceptual design reports for FY 2004 projects and deliver to NNSA/NV by May 31, 2003. The projects listed below are taken from the current Ten Year Comprehensive Site Plan and are subject to change. Projects could be added to the list over the first quarter of the year, but the fee allocation numbers will not change. The project list is a nominal list. Projects to be included on the list will be negotiated between NNSA/NV and BN after receipt of NNSA/HQ/NA-52 guidance.</p> <ol style="list-style-type: none"> 1. SLC Gate 700 2. SLC Substation 5-9 3. SLC Office Building Area 2 4. SLC ARL Primary 5. SLC Shoshone Transmitter 6. SLC Monastery 7. SLC Skull Mountain 	

**FY 2003 U.S. DEPARTMENT OF ENERGY
NNSA/NV PERFORMANCE EVALUATION PLAN
BECHTEL NEVADA--CONTRACT NUMBER DE-AC08-96NV11718
SCORECARD NO. OPS03I-04
FACILITY AND INFRASTRUCTURE CONSTRUCTION**

- 8. NTS Replace CP-9 HVAC System
- 9. NTS Seismic Upgrade Mercury Cafeteria

Performance Target

- A. Facilities and Infrastructure Recapitalization Program (FIRP) Project Planning. Deliver conceptual design reports for FY 04 FIRP projects to NNSA/NV in accordance with performance expectation. Conceptual Design Reports are to be delivered by April 30, 2003.

3a.

Performance Objective

- B. Facilities and Infrastructure Line Item and General Plant Project Execution. Improve the execution of the FY 2002/2003 Infrastructure Line Item (LI), FIRP General Plant Projects (GPP), and Operating Expense projects within approved scope, cost, and schedule baselines.

Performance Measure

- B. Facilities and Infrastructure Line Item and General Plant Project Execution. BN will execute each Line Item, General Plant Project, and Operating Expense project as identified in the NNSA/NV approved task plans and in accordance with approved baselines.

Performance Target

- B. Facilities and Infrastructure Line Item and General Plant Project Execution. BN will execute the FY 02/03 Infrastructure LI, GPP, and Operating Expense projects within scope, cost, and schedule in accordance with established Title I design baselines.

3b. Completion/Validation

- A. Facilities and Infrastructure Recapitalization Program (FIRP) Project Planning.

If initial quality review finds the design package of acceptable quality, NNSA/NV-EAMD will complete the design package review within 10 working days. If changes are required, BN will have 5 working days to fix the design package, after receipt of the comments.

**FY 2003 U.S. DEPARTMENT OF ENERGY
NNSA/NV PERFORMANCE EVALUATION PLAN
BECHTEL NEVADA--CONTRACT NUMBER DE-AC08-96NV11718
SCORECARD NO. OPS03I-04
FACILITY AND INFRASTRUCTURE CONSTRUCTION**

B. Facilities and Infrastructure Line Item and General Plant Project Execution.

The cumulative time and cost of all LI, GPP, and Operating Expense projects under construction and projects that achieved final acceptance during the rating period will be submitted to NNSA/NV by BN and will be compared to the approved baseline cost and schedule.

3c. Definitions/Clarifications

The following types of NNSA/NV construction projects are covered by this performance measure:

- Facilities and Infrastructure Recapitalization Program (FIRP)
- Line Item projects (LI)
- General Plant projects (GPP)
- Operating Expense (non-programmatic)

Funding for the FIRP project planning will be available to BN no later than January 2003.

Scope changes directed by NNSA/HQ or NNSA/NV (regardless of the size of the change) will have the affected project(s) rebaselined to account for the scope change prior to being rated for this PBI. Status report of CPI and SPI for each project and cumulative for the program will be provided monthly, but the performance measure for the PBI is annually only. BCR will be completed when projects to be completed are identified.

The CPI and SPI is to be calculated and reported for the total lifecycle of each project and the cumulative for the program is the result of the lifecycle CPI and SPI.

The amount of fee earned will be based on the cumulative CPI and SPI in accordance with the approved NNSA/NV cost and schedule baselines and Task Plans. The cumulative CPI and SPI is calculated from the sum of the earned values for all of the projects.

Basis for determination of CPI and SPI values will be set at the completion of the Title I design.

**FY 2003 U.S. DEPARTMENT OF ENERGY
NNSA/NV PERFORMANCE EVALUATION PLAN
BECHTEL NEVADA--CONTRACT NUMBER DE-AC08-96NV11718
SCORECARD NO. OPS03I-04
FACILITY AND INFRASTRUCTURE CONSTRUCTION**

Fee earned is the lower value of the calculated CPI and SPI based on the fee tables listed in the Fee Allocation section of this scorecard.

Actual Cost of Work Performed (ACWP)

Budgeted Cost of Work Performed (BCWP)

Budgeted Cost of Work Scheduled (BCWS)

Cost Performance Index (CPI) = BCWP/ACWP

Schedule Performance Index (SPI) = BCWP/BCWS

SECTION IV - EARNING SCHEDULE

4. Fee Allocation

A. Facilities and Infrastructure Recapitalization Program (FIRP) Project Planning.
30% of scorecard value.

Within CDR execution:

100% if CDRs for all designated projects are approved by May 31, 2003

70% if $\geq 80\%$ of the CDRs for all designated projects are approved by May 31, 2003

40% if $\geq 60\%$ of the CDRs for all designated projects are approved by May 31, 2003

0% if $< 60\%$ of the CDRs for all designated projects are approved by May 31, 2003

B. Facilities and Infrastructure Line Item and General Plant Project Execution.
70% of scorecard value.

The fee will be the lower value of the calculated CPI and SPI.

If the cumulative CPI and/or SPI for any individual project is < 0.8 , the fee will be reduced by 50%.

Within Cost Execution

100% of fee earned if the CPI for the experiment is ≥ 1.05

fee increase 0.5% for every .01 increase in CPI, $1.0 < \text{CPI} < 1.05$

97.5% of fee earned if the CPI = 1.0

**FY 2003 U.S. DEPARTMENT OF ENERGY
NNSA/NV PERFORMANCE EVALUATION PLAN
BECHTEL NEVADA--CONTRACT NUMBER DE-AC08-96NV11718
SCORECARD NO. OPS03I-04
FACILITY AND INFRASTRUCTURE CONSTRUCTION**

80% of fee earned if the CPI = 0.9
fee decrease 1.5% for every .01 decrease in CPI, $1.0 > \text{CPI} > 0.9$
40% of fee earned if the CPI = 0.8
fee decrease 4% for every .01 decrease in CPI, $0.9 > \text{CPI} > 0.8$
0% of fee earned if the CPI < 0.8

Within Schedule Execution

100% of fee earned if the SPI for the project is ≥ 1.00
80% of fee earned if the SPI = 0.90
Fee decrease 2% for every .01 decrease in SPI, $1.0 > \text{SPI} > 0.9$
40% of fee earned if the SPI = 0.80
Fee decrease 4% for every .01 decrease in SPI, $0.9 > \text{SPI} > 0.8$
0% of fee earned if SPI for the project is < 0.8

Fee for Performance Based Incentives will be paid upon the completion of each discrete incentive expectation. At the conclusion of the performance period NNSA/NV will validate performance against all requirements specified in this performance measure.

**FY 2003 U.S. DEPARTMENT OF ENERGY
 NNSA/NV PERFORMANCE EVALUATION PLAN
 BECHTEL NEVADA--CONTRACT NUMBER DE-AC08-96NV11718
 SCORECARD NO. OPS03A-05
 NUCLEAR OPERATIONS SAFETY MANAGEMENT READINESS**

SECTION I - GENERAL INFORMATION

<p>1a. PO Title: Nuclear Operations Safety Management Readiness PO Number: OPS03A-05 Revision Number: Revision 0 Date: 9/26/02</p>	<p>1b. Performance Area: Operations</p>
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SECTION II - ACCOUNTING INFORMATION

<p>2a. Initial Budgeted Cost of Work Scheduled : \$ _____</p>	<p>2b. Total Fee Allocated: \$1,230,000</p>
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SECTION III - PERFORMANCE OBJECTIVE, MEASURE AND TARGET

3a.

Performance Objective - Facility Safety Basis/TSR Program

A. Develop and validate that a Nuclear Operations Safety Management Program has been effectively implemented and is in a state of readiness to meet mission requirements per 10 CFR 830 Subpart B, Nuclear Safety Management.

Performance Target

A. Develop a Nuclear Operations Safety Management Program with a supporting BN Site Wide Safety Basis Procedure and TSR Site Wide Procedure that meets the requirements of 10 CFR 830 Subpart B.

3a.

Performance Objective

B. Develop and validate that a Facility Readiness Review Program has been effectively implemented and in a state of readiness to meet mission requirements per DOE O 425.1B, Startup and Restart of Nuclear Facilities.

Performance Target

B. 1. Revise the Facility Readiness Review Process with supporting BN Site Wide Facility Readiness Review Procedure that meets the requirements of DOE O 425.1B.

**FY 2003 U.S. DEPARTMENT OF ENERGY
NNSA/NV PERFORMANCE EVALUATION PLAN
BECHTEL NEVADA--CONTRACT NUMBER DE-AC08-96NV11718
SCORECARD NO. OPS03A-05
NUCLEAR OPERATIONS SAFETY MANAGEMENT READINESS**

2. Develop and establish a Startup Notification Report process for Nuclear operation at the NTS that meets the requirements of the BN Nuclear Operations Management Program.

3. Develop and implement a qualification and training process for the Facility Readiness Review Program for Team Leaders and Team Members.

3a.

Performance Objective

- C. Develop and validate that a Nuclear Facility Unreviewed Safety Question (USQ) Program has been effectively implemented and is in a state of readiness to meet mission requirements per 10 CFR 830 Subpart B, Nuclear Safety Management.

Performance Target

- C. 1. Implement BN's Site Wide USQ Procedure at all NV Nuclear Facilities.
2. Develop and implement a qualification and training process for the USQ Program.

3a.

Performance Objective

- D. Develop and validate that a Nuclear Operations Safety Management Program has been effectively implemented and is in a state of readiness to meet mission requirements per 10 CFR 830 Subpart A, Quality Assurance Requirements.

Performance Target

- D. Develop a Nuclear Operations Safety Management Program with a supporting BN Quality Assurance Plan (QAP) that meets the requirements of 10 CFR 830 Subpart A.

3a.

Performance Objective

- E. Achieve performance objectives A through D in accordance with specific performance measures provided by NNSA/NV.

**FY 2003 U.S. DEPARTMENT OF ENERGY
NNSA/NV PERFORMANCE EVALUATION PLAN
BECHTEL NEVADA--CONTRACT NUMBER DE-AC08-96NV11718
SCORECARD NO. OPS03A-05
NUCLEAR OPERATIONS SAFETY MANAGEMENT READINESS**

Performance Target

- E. Achieve performance objectives A through D in accordance with specific performance measures formally transmitted by NNSA/NV at the beginning of the fiscal year.

3b. Completion/Validation

Performance Objectives (POs) will be evaluated on an annual basis. Evaluation of POs is not limited to the specific objective/targets. POs also recognize all the contract efforts not given incentive fee consideration.

3c. Definitions/Clarifications

The evaluation of the Contractor's performance, the determination with respect to the entitlement of award fee or the amount thereof by the Fee Determination Official, and implementation thereof by the contract amendment shall be final and is not subject to the "Disputes" clause of this contract.