

DRAFT
Request for Proposal – Idaho National Laboratory
February, 2004

PART III SECTION J, ATTACHMENT K
PERFORMANCE EVALUATION MEASUREMENT PLAN APPROACH

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Performance Evaluation Measurement Plan Approach

To ensure both the short and long-term ability of the Idaho National Laboratory (INL) to meet Department of Energy (DOE) missions and to promote innovation, this preliminary approach for establishing a Performance Evaluation Measurement Plan (PEMP) is provided. The PEMP shall establish performance requirements and measures for evaluation of performance and distribution of potential fee to be earned (see Section I.17, DEAR 970.5215-1, TOTAL AVAILABLE FEE: BASE FEE AMOUNT AND PERFORMANCE FEE AMOUNT ALTERNATE I (DEC 2000) ALTERNATE IV (DEC 2000)).

The DOE intends to capitalize on the expertise and experience of the Contractor while increasing Contractor accountability for high performance and responsiveness under this performance-based contract. DOE direction is provided through the requirements in the Statement of Work regarding **what** DOE wants done during the term of the contract. The Contractor shall propose **how** the requirements are best executed and shall be accountable for its performance. Subsequent program and performance direction throughout the contract term will provide additional requirements from DOE.

The PEMP shall tie fee to outcomes. The Contractor is encouraged to propose multi-year performance measures with long-term benefits for the INL, where appropriate. Where long-term outcomes are identified, fee may be paid as established interim milestones are achieved until the outcome is met. Some of these fee payments may be provisional and if the desired outcome is not achieved within the prescribed parameters, the fee paid shall be subject to repayment to the Government.

Due to the nature, variety and complexity of the work performed, opportunities exist to utilize multiple fee arrangements. The performance fee amount may consist of an incentive fee component for objective performance measures and an award fee component for subjective performance measures, or some combination of both.

If the Parties are unable to reach mutual agreement on performance measures, the DOE reserves the right to unilaterally establish performance measures and provide them to the Contractor in accordance with contract fee provisions.