

**ENVIRONMENTAL MANAGEMENT
SUMMARY OF SUPPLEMENTAL FY04 AND FY05
PERFORMANCE BASED INCENTIVES (PBIs)**

TOTAL AVAILABLE FEE FOR DESIRED ENDPOINTS/OUTCOMES V THRU VIII IS \$27M.

DESIRED ENDPOINT/OUTCOME V: CLOSE TAN – PHASE II

Total available fee for this outcome is \$6.45M.

Performance Objective V.1: Close TAN

Total available fee for this objective is \$6.45M.

- Performance Objective V.1a: Deactivate and Demolish Facilities on List 1*
- Performance Objective V.1b: Deactivate and Demolish Facilities on List 2*
- Performance Objective V.1c: Isolate and Deactivate TAN-630 and TAN-650
- Performance Objective V.1d: Complete Characterization and Disposition of Material from TAN-607
- Performance Objective V.1e: Complete OU 1-10 Remediation, PM-2A and V-Tanks Remediation

Fee:

Performance Objective V.1a: Deactivate and Demolish Facilities on List 1 – *Available Fee \$1250k
Fee is earned per facility demolished and = total sq ft demolished / sq ft available per facility List x fee pool.*

Performance Objective V.1b: Deactivate and Demolish Facilities on List 2 – *Available Fee \$1500k
Fee is earned per facility demolished and = total sq ft demolished / sq ft available per facility List x fee pool.*

Performance Objective V.1c: *Total available fee is \$1.2M. \$450k each will be earned upon isolation, characterization and completion of asbestos abatement and deactivation of TAN-630 and TAN-650 by January 31, 2005. This does not include mercury sumps, or equipment removal, which remain. \$300k will be earned upon completion of the mercury sump closure plan by September 30, 2004.*

Performance Objective V.1d: *Total available fee \$1.5M. Progress fee will be earned upon completion of characterization in the amount of \$1000k and disposition of material from the TAN-607 (including Hot Shop, Hot Cell, Warm Shop, High Bays, and other miscellaneous areas and deactivating PREPP) in the amount of \$500k by January 31, 2005.*

Performance Objective V.1e: *Total available fee of \$1.0M will be earned upon completion of all WAG 1 OU 1-10 remediation, PM-2A tanks and V-tanks disposition. Provisional fee will be earned as follows:*

Remediate WAG 1 OU 1-10: \$100k

V-Tanks: Tank removal \$400k, treatment of contents \$200k, Disposition of tanks and contents \$100k

PM-2A: Tank removal \$100k, treatment of contents \$50k, disposition of tanks and contents \$50k

DESIRED ENDPOINT/OUTCOME VI: RWMC ACTIONS

Total available fee for this outcome is \$8.35M.

Performance Objective VI.1:

Total available fee for this objective is \$8.35M.

Performance Objective VI.1a: Complete OU 7-13/14 early risk reduction actions IAW Letter EM-ER-03-305 by January 31, 2005.

Fee: \$1000k will be earned upon completion of OU 7-13/14 early risk reduction actions

**ENVIRONMENTAL MANAGEMENT
SUMMARY OF SUPPLEMENTAL FY04 AND FY05
PERFORMANCE BASED INCENTIVES (PBIs)**

Performance Objective VI.1b: Commence Operations and complete 100 yds³ of Waste Retrieval at Area G within Pit 4 by January 31, 2005

Fee: 4.5M Fee will be earned upon commencement of operations and complete 100 yds³ of waste retrieval.

Performance Objective VI.1c: Complete at least one-half of Area G waste retrieval within Pit 4 by January 31, 2005

Fee: \$2.85M will be earned if all of the performance objective is achieved. Partial fee may be earned based on percent complete. The basis is TBD until completion of design.

DESIRED ENDPOINT/OUTCOME VII: INTEC ACTIONS

Total available fee for this outcome is \$6.35M.

Performance Objective VII.1: Close INTEC 651

Total available fee for this objective is \$600k.

Performance Objective VII.1a: All LANL, PWR, Flourinel SNM, and ANL-W dispositioned off-site by January 31, 2005

Fee: Total available fee is \$600k. Provisional fee will be earned as follows: \$150k each will be earned upon disposition of each SNM campaign.

Performance Objective VII.2: Remove SNF from CPP-666

Total available fee for this objective is \$800k.

Performance Objective VII.2a: Transfer all UW, MURR, HFBR and standard Triga SNF to IFSF by January 31, 2005

Fee: Total available fee is \$800k. \$200k will be earned upon completion of each transfer campaign.

Performance Objective VII.3: Close tank farm and Remediate Perc Ponds (CPP-67)

Total available fee for this objective is \$2.0M.

Performance Objective VII.3a: Complete final cleaning of one additional 300,000-gallon tank and tank systems components per the proposed tank closure plan by January 31, 2005.

Fee: \$750K for the seventh 300,000-gallon tank cleaned and sampled.

Performance Objective VII.3b: WAG 3 - Complete Tank Farm Soils Sampling and analysis by January 31, 2005. Disposition Perc Pond (CPP-67) Soils and complete updated INTEC Vadose Zone Model by January 31, 2005.

Fee: Total available fee is \$1.25M. Provisional fee will be earned as follows: soil excavation (50% of estimated soil volume (total volume 30,000 cy) and disposition = \$200k and balance is distributed as follows: Fee for completing Perc Pond (CPP-67) soil disposition is \$550k. Fee for completing Tank Farm soil characterization (samples collected) by September 30, 2004, is \$200k. Fee for completing Tank Farm soil analysis is \$200k. Progress fee for completing the updated Vadose Zone Model is \$100k.

**ENVIRONMENTAL MANAGEMENT
SUMMARY OF SUPPLEMENTAL FY04 AND FY05
PERFORMANCE BASED INCENTIVES (PBIs)**

Performance Objective VII.4: INTEC D&D*

Total available fee for this objective is \$2.95M.

Performance Objective VII.4a: Deactivate CPP-603 basin by January 31, 2005

Fee: Total available fee is \$500k. Progress fee will be earned as follows: 25% water removed = \$200k fee; sludge stabilized = \$200k fee; and fee balance earned on % deactivation completion = \$100k.

Performance Objective VII.4b: Demolish INTEC Structures by January 31, 2005*

Fee: Total fee of \$2.25M will be earned as follows: \$750k will be earned upon demolition of INTEC structures List 1 and \$1.5M will be earned upon demolition of INTEC structures List 2. Fee is earned per facility demolished and = total sq ft demolished / sq ft available per facility List x fee pool.

Performance Objective VII.4c: Deactivate CPP-640, to include H.M. area, cell areas, sample areas, and operating area from ground level and above, by January 31, 2005

Fee: \$200k will be earned upon deactivation of CPP-640.

DESIRED ENDPOINT/OUTCOME VIII: BALANCE OF INEEL ACTIONS

Total available fee for this outcome is \$5.85M.

Performance Objective VIII.1:

Total available fee for this objective is \$550k.

Performance Objective VIII.1a: WAG 10 –Development of the technical and functional requirements for the numerical groundwater model by September 30, 2004

Fee: \$400k will be earned upon development of the technical and functional requirements for the numerical groundwater model.

Performance Objective VIII.1b: Deliver Groundwater Monitoring Work Plan by January 31, 2005.

Fee: \$150k will be earned upon completing the Groundwater Monitoring Work Plan.

Performance Objective VIII.2: Close Reactor Areas*

Total available fee for this objective is \$5.3M.

Performance Objective VIII.2a: Complete the CERCLA Environmental Evaluation/Cost Analysis (EE/CA) for PBF-620 by September 30, 2004. Complete MTR and ETR NEPA by November 30, 2004.

Fee: Total available fee is \$425k. \$250k will be earned upon completion of the CERCLA EE/CA for PBF-620. \$100k will be earned upon submission of draft NEPA for MTR and ETR by 9/30/04. \$75k will be earned upon completion of NEPA for MTR and ETR.

Performance Objective VIII.2b: All PBF facilities and structures, including PBF-620, are demolished or dispositioned to end-state with wastes disposed by January 31, 2005. TRA support facilities are demolished by January 31, 2005.

Fee: Total fee of \$4.875M will be earned as follows:

\$1.00M fee will be earned upon completion of demolition of all TRA support facilities.

**ENVIRONMENTAL MANAGEMENT
SUMMARY OF SUPPLEMENTAL FY04 AND FY05
PERFORMANCE BASED INCENTIVES (PBIs)**

\$1.025M fee will be earned for PBF-620 reactor building deactivation and PBF support facilities.

\$2.85M fee will be earned for PBF-620 demolition as follows:

- a) \$1.25M - below grade disposition (assuming grout)*
- b) \$875k – above ground demolition (excluding reactor vessel areas)*
- c) \$625k – Reactor disposition (removal and take to grade, or grout in place, or place into interim storage; depends on the outcome of the EE/CA)*
- d) \$100k – Disposal of rubble into ICDF.*

*** Specific facility lists are included in the detail sheets.**