

FY 2002-2004 PERFORMANCE BASED INCENTIVE:

SECTION 1 GENERAL INFORMATION

Performance Incentive Number: PBI-6 (Environmental Management)
Program Based Summary Number:
Performance Incentive Short Title: **Ship 3100 m³ TRU to WIPP**
Revision Number & Date: May 23, 2002
Maximum Available Incentive Fee: \$8820K
Performance Incentive Type: Base Stretch Superstretch
Duration: Annual Multi-year
Fee Payment Type: Completion Progress Provisional
DOE Technical Monitor: Ed Ziemanski
BBWI Technical Monitor: Leonard Sygitowicz
(check appropriate box)

SECTION 2 PERFORMANCE OUTCOMES

Check Appropriate Box:

- Outcome #1 Deliver science-based, engineered solutions.
 Outcome #2 Complete environmental cleanup responsibly.
 Outcome #3 Provide leadership and support to optimize investments.
 Outcome #4 Enhance scientific and technical talent, facilities, and equipment.

SECTION 3 PERFORMANCE MEASURES AND EXPECTATION (S)

List associated performance measures and performance expectations for FY02-04. Identify associated PBS # for each performance measures as appropriate.

Measure 1: Ship 3100 m³ TRU to WIPP

Expectation 1.1: Complete shipment of 3,100 m³ of TRU waste out of Idaho by December 31, 2002. (This is a multi-year expectation.)

- Complete shipment of 2764.2 m³ of TRU waste out of Idaho by September 30, 2002. (Note 2764.2 is a cumulative value and anticipates the completion of any FY01 planned shipments, plus 1482 m³ during FY02)
- Complete shipment of 3,100 m³ of TRU waste out of Idaho by December 31, 2002.

Measure 2: Support to AMWTP Turnover

Expectation 2.1: Provide critical support to AMWTP

- Complete all necessary activities to meet scheduled turnover of RWMC facilities to the AMWTP privatization contractor. Scheduled facility turnover is during FY03.
- Complete the necessary FY02 activities to meet scheduled turnover of RWMC facilities to the AMWTF privatization contractor, as agreed to in the Memorandum of Agreement (MOA) (September 17, 2001).
- During FY03, complete any remaining facility turnovers covered by the MOA.
- During FY04, there are no activities for this expectation.

Expectation 2.2: Complete early transfer of WMF-618 or WMF-635 Loading Facility to AMWTF project ahead of the January 1, 2003, date established in the MOA. (Superstretch)

- Facility turnover in accordance with requirements established in referenced MOA.

Measure 3: RH-TRU

Expectation 3.1 Complete preparations to achieve the first shipment of RH-TRU to WIPP by September 30, 2004. (Reserved)

FY 2002-2004 PERFORMANCE BASED INCENTIVE:

SECTION 4 FEE SCHEDULE

Identify fee payment schedule for the PBI and the type of payments to be made (e.g., provisional, progress, final) and the basis of the payment (e.g., per canister completed, per assembly, earned value, etc.)

Measure 1: Ship 3100 m³ TRU to WIPP (\$8000K)

Expectation 1.1: Complete shipment of 3,100 m³ of TRU waste out of Idaho by December 31, 2002. (FY02 - \$4,927,650; FY03 - \$3,072,350)

The available fee amount will be earned in accordance with the schedule provided below. No fee will be earned in any year unless the minimum shipping schedule through that FY is met. This does not preclude the contractor from earning the full fee available or the fee associated with meeting the current fiscal year goal if the shipping schedule is recovered in subsequent years. Recovery of a previous year's schedule will be paid from accrued fee

Earnings Schedule

FY02 and FY03 Accruals

- For FY02, fee accrued at \$3325/m³ shipped
- For FY03, the fee accrued pool is increased to \$3,072,350 (about \$9149/m³)
- FY02 Gateway for accruing fee is the completion of shipping the FY01 quantity of 1160m³.

FY02 Payments

Up to, but not including 66% of cumulative total for year paid at	\$1400/m ³
From 66% up to, but not including 85% of cumulative total for year paid at	\$1625/m ³
85% or higher of cumulative total for year paid at	\$2125/m ³

- FY02 fee payment (at least 65% of the cumulative total) will include the FY01 delta between \$2,095,980 and the FY01 fee payment.
- The FY03 payment will be 3000/m³ for cumulative quantities shipped above 2760m³.
- Fee accrued but not paid will be awarded to contractor upon completion of 3100 m³ shipped by January 31, 2003.
- If Settlement Agreement milestone is missed by more than 31 days, then no fee is paid for shipments made after January 31, 2003. Also, the \$1,500K reduction will be incurred and cumulative fee withheld will be lost.

Fee earned based on 100% of yearly quantity:

Year	Qty(m ³)	Annual Fee Pool	Cum Fee Accrued	Fee Earned	Cum Fee Earned	Cum Fee Withheld
2001	1160	\$3,139,980	\$3,139,980	\$2,095,980	\$2,095,980	\$1,044,000
2002	1482	\$4,927,650	\$8,067,630	\$3,149,250	\$5,245,230	\$2,822,400
2003	335.8	\$3,072,350	\$11,139,980	\$1,007,400	\$6,252,630	\$4,887,350

Fee paid if milestone is met (12/31/02) \$11,139,980

Reduction for shipment schedule completed within 31 days after milestone (from fee withheld)

Within 1-7 days after milestone \$500K reduction

Within 8-14 days after milestone \$1000K reduction

Within 15-31 days after milestone \$1500K reduction

Measure 2: Support to AMWTP Turnover (\$170K plus Superstretch)

Expectation 2.1 and 2.2: Support for the AMWTF privatized project.

During FY02/FY03, a Superstretch fee payment for completion of facility turnovers will be earned for executing the

FY 2002-2004 PERFORMANCE BASED INCENTIVE:

early transfer to, or sharing arrangement with the AMWTP of the WMF-618 or 635.

Superstretch fee can be earned if the transfer is 14 days or more ahead of the MOA date. Fee will be earned based on \$XXX (will be defined when the Contractor submits superstretch proposal) per week ahead of the MOA transfer date. (Fee will be generated from cost reductions in 3100m³ project labor by completing shipping ahead of schedule.)

- During FY02, a provisional payment of \$50K will be made for meeting the performance expectation.
- During FY03, a final payment of \$120K will be made for all other facility transfers.

Measure 3: RH-TRU

Expectation 3.1: Complete preparations to achieve the first shipment of RH-TRU to WIPP by September 30, 2004. (Reserved) Base fee \$650K.

SECTION 5 PERFORMANCE REQUIREMENTS

PREVIOUS YEAR'S GATEWAY: (Describe previous year's gateway (if applicable) that must be completed before fee can be paid under this performance measure. The requirements listed below are the gateway only requirements for this Performance Measure.)

Expectation 1.1:

- The FY02 gateway is to have completed shipping 1282.2m³ of TRU waste out of the state of Idaho by September 30, 2001.
- The FY03 gateway is to have completed shipping 2764.2m³ of TRU waste out of the state of Idaho by September 30, 2002.

GENERAL REQUIREMENTS: (Describe other performance required beyond those stated in measure or expectation such as cost constraints or requirements contained in the approved project plan.)

None

DEFINE COMPLETION: (Specify performance elements and describe indicators of success [quality/progress]. Include baseline documentation/data against which completion documentation should be compared.) (Stretch goals must be documented by Baseline Change Proposals including documented and verified baselines which are approved by the CO.)

Expectation 1.1: Performance will be verified by documented TRU waste shipments to WIPP.

Expectation 2.1 and 2.2: Support for the AMWTF Privatized contract.

- Facility turned over in accordance with requirements established in referenced MOA.
- During FY02, submit written reports and a facility transition plan and perform other activities supporting turnover as documented in the approved MOA.
- During FY03, complete all necessary activities supporting timely turnover of RWMC facilities to the AMWTP privatization contractor, as identified in the September 17, 2001, MOA.

Expectation 3.1: Complete preparations to achieve the first shipment of RH-TRU to WIPP by September 30, 2004. (Reserved)

COMPLETE DOCUMENTS LIST: (List document(s) that should be submitted, data that should be available, actions to be taken by evaluator to determine actual performance to the requirements stated above.)

Expectation 2.1 and 2.2: Support AMWTF Privatized contract (Documents will be described in ID COR letters.)

- During FY02
 - Submit WMF-618 TLF analysis by November 19, 2001
 - Submit written transition plan by March 29, 2002
- During FY03, all documentation necessary to support facility transfer must be approved and signed by the planned turnover date.

ASSUMPTIONS/TECHNICAL BOUNDARY CONDITIONS AND REMEDY STATED: (List foreseeable impacts to performance, which are not covered under the Contract. If the assumption or condition proves false the remedy shall be in effect. If remedy is not possible the next step is renegotiation.)

FY 2002-2004 PERFORMANCE BASED INCENTIVE:

Expectation 1.1: Complete shipment of 3100m³ of TRU waste out of Idaho by December 31, 2002.

- NOTE: THE SIGNING OF THIS FY02-04 PEMP INCLUDES RESOLUTION OF ALL IMPACTS OUTSIDE BBWI'S CONTROL THROUGH MARCH 1, 2002. THE FOLLOWING ASSUMPTIONS APPLY AFTER THE SIGNING DATE.
- WIPP remains open without interruption to receive both mixed and non-mixed waste from the INEEL.
- DOE-CBFO will provide sufficient shipping hardware to meet the approved DWP shipping schedule as documented in the December 2001 BCP. If CBFO fails to provide the necessary hardware, this PBI will be measured against BBWI's commitment to characterize and WWIS certify sufficient waste to meet the DWP shipping schedule. This assumption is only valid if BBWI is compliant with the approved shipping schedule as documented in the December 2001 BCP.
- DOE-CBFO supports re-certification audits at the frequency to maintain shipping rates.
- WIPP requirements remain the same or become less stringent than they currently are.
- Interruptions to transportation are minimal due to matters such as highway construction, natural phenomena, labor disputes, jurisdictional disputes, lawsuits, or other conditions beyond the control of BBWI.
- The INEEL retrievable inventory of 22,000 drums is sufficient to yield 15,000 shippable drums.
- The Advanced Mixed Waste Treatment Facility has no detrimental impact on facilities, shipping, personnel, etc.
- The Detailed Work Plan submitted by BBWI is approved by DOE-ID and authorizes work to proceed.
- External audits of RWMC Operations and/or the 3100m³ Project will be scheduled at a minimum of two weeks in advance to minimize impacts to the Project Shipping Schedule.
- INEEL ISMS/VPP requirements will not increase over those identified and implemented in FY00.
- Permit modifications to RWMC facilities affecting the Project will be approved within the current regulatory time frames.
- The INEEL retains the ability to perform composite sampling at a 10:1 ratio.

Expectation 2: Support to AMWTP Turnover

- Lack of shipping hardware and drivers does not delay the 3100m³ project activities beyond December 31, 2002.

Expectation 2.1: Critical Support to AMWTP

- Existing conditions of Rev 2 of MOA apply to preparation of the formal transition plan.
- Transition plan limited to those facilities addressed in FY02-04 approved Detailed Work Plan for Facility Ops and Turnover Project

Expectation 3.1: RH-TRU

- The current WIPP strategy for using acceptable knowledge for characterizing and certifying RH-TRU waste is accepted by regulators

GOVERNMENT FURNISHED SERVICES/ITEMS

Expectation 2.1:

- Funding for AMWTP Transition Plan implementation activities approved by May 10, 2002.
- DOE-ID authorizes AMWTP to receive facilities by November 15, 2002.

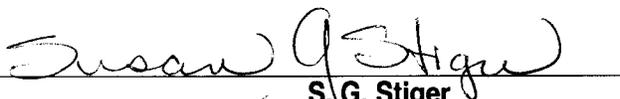
SECTION 6 SIGNATURES



J. L. Lyle
Contracting Officer Representative
Assistant Manager
Environmental Management

5/23/02

Date



S. G. Stiger
Vice President
Environmental Management Programs

5-23-02

Date