

**PART I – THE SCHEDULE**

**SECTION B**

**SUPPLIES OR SERVICES AND PRICES/COSTS**

**TABLE OF CONTENTS**

**B.1 TYPE OF CONTRACT - ITEMS BEING ACQUIRED..... 1**

**B.2 CONTRACT FUNDING ..... 1**

**B.3 TOTAL ESTIMATED COST AND FEE ..... 1**

**B.4 PERFORMANCE INCENTIVES ..... 2**

**B.5 ITEMS NOT INCLUDED IN ESTIMATED COST ..... 4**

**B.6 OBLIGATION OF FUNDS ..... 4**

**B.7 MATERIAL DIFFERENCES ..... 4**

## PART I – THE SCHEDULE

### SECTION B

#### SUPPLIES OR SERVICES AND PRICES/COSTS

##### B.1 TYPE OF CONTRACT - ITEMS BEING ACQUIRED

This is a cost-plus-award-fee (CPAF) contract that includes performance incentives. The Contractor shall be responsible for planning, managing, integrating, and executing the work described in Section C, Statement of Work (SOW). The Contractor shall furnish all personnel, facilities, equipment, supplies, and services (except for the Government-furnished facilities and equipment listed in Exhibit C.2 and in Section J, Attachment H) and otherwise do all things necessary for performing in a safe, efficient, and effective manner.

##### B.2 CONTRACT FUNDING

Funds obligated to the contract are available until expended (i.e., uncosted funds carry forward to subsequent years). It is anticipated that contract funding will be incrementally provided.

**Pre-Contract Accrued Employee Leave** – Funding in the amount of \$2,721,113.76 is provided as non-contract costs for previous M&O employee earned but unpaid vacation balances prior to the contract start date. The contractor is authorized to invoice the Department of Energy only when the employee accrued vacation balance in the accounting records is below the original stated value of \$2,721,113.76, less any invoiced amounts. The contractor shall submit a separate invoice for payment of this vacation balance usage and follow the same submittal schedule (and terms) as identified in G.6.

##### B.3 TOTAL ESTIMATED COST AND FEE

- (a) The Estimated Cost is \$419,202,975 (excluding transition costs and fee).
- (b) The Transition Cost is \$1,932,268.
- (c) The Maximum Fee is \$35,298,609 (Maximum Fee cannot exceed 10% of the Estimated Cost). There is no fee for transition.
- (d) The Total Estimated Cost (including transition cost) and Fee is \$456,433,852.

## B.4 PERFORMANCE INCENTIVES

### Waste Disposition Incentive

To earn this fee as provided below, the Contractor shall complete waste disposition in accordance with Section C.4. However, this fee will not be paid for any wastes addressed in Sections C.3.3, C.11, and ICP waste activities in C.4.2 and C.4.5.

- (a) Waste Disposition Incentive for the first 22,150 cubic meters (m<sup>3</sup>). This includes AMWTP stored waste and 100m<sup>3</sup> (C.3.4) of TRU waste from other DOE sites and INL tenants.

Available Fee: \$19,807,859 (\$894.26/m<sup>3</sup>) (not to exceed 70% of the total fee in B.3(c))

- (b) i. Waste Disposition Incentive for an additional 4,450m<sup>3</sup>.

Available Fee: \$10,524,250 (\$2,365/m<sup>3</sup>)

Fee for the 4,450m<sup>3</sup> may be earned only after disposition of the first 22,150m<sup>3</sup> in B.4(a).

- ii. Waste Disposition Incentive for the remaining estimated 2,100m<sup>3</sup>.

Available Fee: \$4,966,500 (2,365/m<sup>3</sup>)

Fee for the remaining estimated 2,100m<sup>3</sup> may be earned only after disposition of the first 26,600m<sup>3</sup> in B.4(a) and (b)i.

This portion of the fee is based on the assumption that there will be no more than 2,100m<sup>3</sup> of waste remaining once the first 26,600m<sup>3</sup> has been dispositioned. In the event that the Government determines that the quantity of waste remaining is either more or less than 2,100m<sup>3</sup>, the CO may reallocate the balance of the available fee on a pro rata share based on the revised quantity of waste. During the final fee determination, the CO shall reallocate fee on a pro rata share based on the revised quantity of waste.

Differences of less than or equal to +/- 10% of the total estimated 28,700m<sup>3</sup> of Advanced Mixed Waste Treatment Project (AMWTP) stored\* waste (excludes offsite waste) will not constitute a basis for a change to the Maximum Fee identified in B.3(c).

- (c) Waste Disposition is defined as:

- Transuranic (TRU) waste (AMWTP stored\* waste and offsite waste, see Section C.3.4) that has been processed, such that it is certified for disposal (see

Section C.4) in the Waste Isolation Pilot Plant (WIPP) Waste Information System (WWIS), and has been transported beyond the boundary of the state of Idaho in accordance with the Idaho Settlement Agreement; and

- Mixed Low-Level Waste (MLLW) (AMWTP stored\* waste) that has been characterized, packaged, and certified to meet the applicable treatment and/or disposal facilities' waste acceptance criteria, has been transported beyond the boundary of the state of Idaho in accordance with the Idaho Settlement Agreement, and has been accepted by the appropriate treatment/disposal facility.

\*AMWTP stored waste is waste stored in a retrievable, above ground configuration and identified by the Department of Energy (DOE) as part of the original 65,000m<sup>3</sup> of Historically Managed Stored TRU Waste.

- (d) Waste Disposition incentive fee is paid on a per m<sup>3</sup> basis, and the Contractor shall submit requests for payment of fee for waste dispositioned in increments of not less than 1,000m<sup>3</sup>. Only the volume of the original waste container (prior to overpacking, compaction, etc.) will be considered for the volume of waste disposed. Shipment of waste to WIPP that was certified prior to the beginning of the contract period is not eligible for earning fee.
- (e) However, fee is provisional and may be withheld by the Government to the extent the Contractor's performance is inadequate in the following areas: (1) safety performance; (2) quality performance; (3) earned value performance; (4) WIPP Eight (8)-week Rolling Schedule performance; (5) shipment of adequate quantities of the Idaho Cleanup Project (ICP) waste exhumed from the Subsurface Disposal Area; (6) facility maintenance obligations; (7) investment in reliability improvements; and (8) sustained progress on disposition of waste that cannot be shipped to WIPP. Only the volume of the original waste container (prior to overpacking or treatment) will be considered for the volume of waste disposed.
- (f) Further, provisional fee paid to-date, as adjusted by B.4(e) or conditional payment of fee provisions (Section I.115, DEAR 952.223-76), will become earned fee upon completing certification of every 7,000m<sup>3</sup> of waste (i.e., 7,000m<sup>3</sup>, 14,000m<sup>3</sup>, 21,000m<sup>3</sup>, etc.). The Government will not pay interest on provisional fee that becomes earned fee under this subparagraph.
- (g) If the total allowable cost exceeds the estimated cost at the end of the contract period, whether or not the Waste Disposition incentives are completed, fee may be decreased as determined by the Contracting Officer.
- (h) If the provisional fee payments made during the period of the contract are greater than the overall fee that is calculated by the Contracting Officer in the final fee determination, the Contractor shall reimburse the amount of fee already paid that is

greater than that earned and shall pay interest to DOE in accordance with the prevailing Treasury rate(s) in effect at the time the payments were made.

(i) Fee Limitation

No base fee will be paid under this contract. There is a single fee pool under this contract. Allowability of subcontractor fee is as follows:

- (1) If the Contractor is part of a teaming arrangement as described in FAR Subpart 9.6, Contractor Team Arrangements, the team shall share in the Maximum Fee [Section B.3(c)]. Separate additional subcontractor fee is not an allowable cost under this Contract for individual team members, or for a subcontractor, supplier, or lower-tier subcontractor that is a wholly-owned, majority-owned, or affiliate of any team member.
- (2) The subcontractor fee restriction in paragraph B.4(i)(1) does not apply to members of the Contractor's team that are: (i) small business(es); (ii) Protégé firms as part of an approved Mentor-Protégé relationship under Section I.113 DOE Mentor-Protégé Program; (iii) subcontractors under a competitively awarded firm-fixed-price or firm-fixed-unit-price subcontract; or (iv) commercial items as defined in FAR Subpart 2.1, Definitions of Words and Terms.

**B.5 ITEMS NOT INCLUDED IN ESTIMATED COST**

The Government reserves the right to require the contractor to perform additional work scope defined in Section C.11, Processing TRU Waste from Other INL Tenants or Other DOE Sites. If additional funding is made available, DOE may add this work scope to be completed by September 30, 2015. The additional work to be performed, the estimated costs, and the associated fee will be negotiated and the contract will be modified prior to the Contractor commencing any such work. Fee earned as a result of completion of additional work scope is not currently included in the maximum fee specified in B.3(c) above.

**B.6 OBLIGATION OF FUNDS**

Total funds in the amount of \$209,132,507.76 [through Modification No. 029, dated May 31, 2013] are obligated herewith and made available for payment of allowable costs and fee from the effective date of the contract through September 30, 2015, subject to Federal Acquisition Regulation (FAR) Clause 52.232-22 Limitation of Funds.

**B.7 MATERIAL DIFFERENCES**

At contract takeover, the Contractor shall identify any material differences in the actual contract conditions compared to the projected status established in the Request for Proposal (RFP), and shall notify the Contracting Officer of such differences within 60 days after contract takeover. Untimely submissions will not be considered. The DOE will

independently evaluate this status. The Contractor and/or DOE evaluations of Material Differences may result in changes to the Statement of Work and a Request for Equitable Adjustment that would increase or decrease the Estimated Cost and available fee.