

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT		1. CONTRACT ID CODE	PAGE OF PAGES 1 2
2. AMENDMENT/MODIFICATION NO. 0107	3. EFFECTIVE DATE See Block 16C	4. REQUISITION/PURCHASE REQ. NO.	5. PROJECT NO. (If applicable)
6. ISSUED BY Strategic Petroleum Reserve Project SPRO U.S. Department of Energy 900 Commerce Road East US 492 New Orleans LA 70123	CODE 892435	7. ADMINISTERED BY (If other than Item 6) SPRO U.S. Department of Energy SPRO 900 Commerce Road East US 492 New Orleans LA 70123	CODE 01601
8. NAME AND ADDRESS OF CONTRACTOR (No., street, county, State and ZIP Code) Fluor Federal Petroleum Operations, LLC Attn: David Palmer 850 S Clearview Pkwy New Orleans LA 70123		(x)	9A. AMENDMENT OF SOLICITATION NO.
CODE 078490442			9B. DATED (SEE ITEM 11)
FACILITY CODE		x	10A. MODIFICATION OF CONTRACT/ORDER NO. DE-FE0011020
			10B. DATED (SEE ITEM 13) 09/18/2013

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers is extended. is not extended. Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods: (a) By completing Items 8 and 15, and returning _____ copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or electronic communication which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGEMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by letter or electronic communication, provided each letter or electronic communication makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. ACCOUNTING AND APPROPRIATION DATA (If required)
R799

13. THIS ITEM ONLY APPLIES TO MODIFICATION OF CONTRACTS/ORDERS. IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.

CHECK ONE	A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.
	B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation data, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b).
	C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:
X	D. OTHER (Specify type of modification and authority) See Block 14

E. IMPORTANT: Contractor is not is required to sign this document and return _____ copies to the issuing office.

14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)

Pursuant to the authority of Clauses H.2 Modification Authority, H.21 Work Authorization Directives, H. 13 Technical Direction DEAR 952.242-70, H.14 Small Business Subcontracting Plan, I. 109 DEAR 970.5215-1 Total Available Fee: Base Fee Amount and Performance Fee Amount and I.132 DEAR 970.5232-3 Obligation of Funds, the following changes are incorporated.

Reference Section B.

A. Reference Section B, B.4 - Obligation of Funds: The amount of funding obligated under this contract is updated to reflect funding to date of \$2,190,301,657.41. This corrects the total funded amount on modification 0105.

Continued ...

Except as provided herein, all terms and conditions of the document referenced in Item 9 A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. NAME AND TITLE OF SIGNER (Type or print)		16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print) Justin Daniel Dudenhefer	
15B. CONTRACTOR/OFFEROR (Signature of person authorized to sign)	15C. DATE SIGNED	16B. UNITED STATES OF AMERICA Signature on File (Signature of Contracting Officer)	16C. DATE SIGNED 03/04/2021

Previous edition unusable

CONTINUATION SHEET

REFERENCE NO. OF DOCUMENT BEING CONTINUED
DE-FE0011020/0107

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NAME OF OFFEROR OR CONTRACTOR
Fluor Federal Petroleum Operations, LLC

ITEM NO. (A)	SUPPLIES/SERVICES (B)	QUANTITY (C)	UNIT (D)	UNIT PRICE (E)	AMOUNT (F)
	<p>B. Reference Section B, B.6 - Contract Value: The contract value is revised to adjust the Fiscal Year 2021 estimated costs to incorporate the Fiscal Year (FY) 2021 Final Annual Operating Plan (AOP) inclusive of FFPO Carryover Changes and Change Sheet Adjustments, plus the estimated costs for Petroleum Acquisition and Transportation, Northeast Gasoline Supply Reserve, and the Northeast Home Heating Oil Reserve and the estimated costs for the Life Extension 2 Program. The total estimated costs for FY 2021 are \$476,048,391, the estimated cost of \$462,656,797 plus the total available award fee of \$13,391,594. The total contract value is increased by \$11,031,840 from \$2,524,605,336 to \$2,535,637,176. (See Section B attached.)</p> <p>Reference Section J.</p> <p>A. Reference Section J, Attachment B - Work Authorization Directives (WADs): The Fiscal Year 2021 WADs for the period October 1, 2020 through September 30, 2021, dated September 30, 2020, are hereby incorporated.</p> <p>B. Reference Section J, Attachment D - Small Business Subcontracting Plan: The Revised Subcontracting Plan for the period October 1, 2016 through September 30, 2017 is hereby incorporated.</p> <p>C. Reference Section J, Attachment J - Performance Evaluation and Measurement Plan (PEMP): The Performance Evaluation and Measurement Plan for the period October 1, 2020 through September 30, 2021 is hereby incorporated by reference.</p> <p>Payment: OR for SPRO U.S. Department of Energy Oak Ridge Financial Service Center P.O. Box 6017 Oak Ridge TN 37831</p> <p>Fund: 00000 Appr Year: 0000 Allottee: 00 Report Entity: 000000 Object Class: 00000 Program: 0000000 Project: 0000000 WFO: 0000000 Local Use: 0000000 Period of Performance: 04/01/2014 to 03/31/2024</p>				

PART I -THE SCHEDULE

SECTION B

SUPPLIES OR SERVICES AND PRICES/COSTS

PART I -THE SCHEDULE

SECTION B

SUPPLIES OR SERVICES AND PRICES/COSTS

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SECTION B

SUPPLIES OR SERVICES AND PRICES/COSTS

B.1 SERVICES BEING ACQUIRED

The Contractor shall, in accordance with the terms of this contact, provide the personnel, equipment, materials, supplies, and services (except as may be furnished by the Government) and otherwise do all things necessary for, or incident to managing and operating, in an efficient and effective manner, the Government-owned Strategic Petroleum Reserve (SPR), including operating and maintaining the facilities and related systems, located in Louisiana and Texas, as described in Section C, Performance Work Statement (PWS), or as may be directed by the Contracting Officer within the scope of this Contract.

B.2 TRANSITION COST AND TOTAL AVAILABLE AWARD FEE

(a) Transition Cost

The transition activities shall be conducted during the period specified in the clause in Section F entitled "Period of Performance" and shall be performed in accordance with the clause in Section H entitled "Transition Activities" on a cost-reimbursement basis, and no fee shall be paid for these activities. The estimated transition costs are \$1,714,103.

(b) Total Available Award Fee

- (1) The annual fee base is estimated in accordance with DEAR 970.1504-1, including estimated exclusions, adjustments, and classification factors. In the event the annual fee base deviates by more than plus or minus 15% for any fiscal year from the annual fee base set forth in Column B of the chart below, a new total available award fee for the fiscal year will be calculated by multiplying the maximum available fee for the revised annual fee base by the percentage set forth in Column D below.
- (2) All fee for this contract is performance based. There is no base fee for this contract. The Available Award Fee will be negotiated annually (or any other period as may be mutually agreed to between the parties) between the Contractor and the Government. The Available Award Fee will be equal to or less than the Total Available Award Fee offered set forth in Column E. The Available Award Fee shall be established considering the level of complexity, difficulty, cost effectiveness, and risk associated with specific objectives/incentives defined in the Performance Evaluation and Measurement Plan (PEMP). Higher or lower levels of complexity, difficulty, cost effectiveness, and risk will correspondingly allow a higher or lower available award fee. In the event the parties are unable to reach

agreement on the Available Award Fee amount, the Government reserves the right to unilaterally establish the Available Award Fee amount.

- (3) The total available award fee for the base period of the contract and the option period, if exercised, is shown below.

A	B	C	D	E
Fiscal Year	Annual Fee Base	Maximum Available Fee	Fee Percent	Total Available Award Fee
FY 2014 (6-months)	\$58,805,864	\$4,437,779	94.0	\$4,171,512
FY 2015	\$127,918,868	\$9,197,264	90.2	\$8,295,932
FY 2016	\$129,557,963	\$9,199,561	88.8	\$8,169,210
FY 2017	\$128,735,855	\$9,158,721	87.1	\$7,977,246
FY 2018	\$220,061,467	\$11,554,075	¹ 90.6	\$10,463,038
FY 2019	\$258,374,144	\$12,019,556	¹ 88.3	\$10,617,153
FY 2020	\$322,602,166	\$13,836,074	¹ 89.9	\$12,436,991
FY 2021	\$460,684,745	\$14,665,190	¹ 91.3	\$13,391,594
FY 2022	\$371,000,800	\$13,892,684	¹ 90.0	\$12,505,574
FY 2023	\$233,737,361	\$11,692,653	¹ 86.5	\$10,114,838
FY 2024 (6-months)	<u>\$86,723,473</u>	<u>\$5,309,632</u>	<u>¹84.1</u>	<u>\$4,467,445</u>

- (4) At the end of each performance period (fiscal year) specified above, there shall be no adjustment in the amount of total available award fee based on differences between the annual fee base and the actual fee base resulting from performance of the work. Total Available Award Fee is subject to adjustment only under the provisions of the clause in Section I entitled FAR 52.243-2 “Changes – Cost Reimbursement”; and, for the circumstances in Paragraph (1) above.

B.3 AVAILABILITY OF APPROPRIATED FUNDS

The duties and obligations of the Government hereunder calling for the expenditure of appropriate funds shall be subject to the availability of funds appropriated by the Congress, which the DOE may legally spend for such purchases.

B.4 OBLIGATION OF FUNDS

Pursuant to the Section I Clause DEAR 970.5232-4 entitled “Obligation of Funds,” the total amount obligated by the Government with respect to this contract is \$2,190,301,657.41.

¹IAW agreed to LE 2 fee approach, Facilities maximum fee FY18 88.3%, FY19 84.8%, FY20 83.9%, FY21 83.4%, FY22 82.8%, FY23 82.3%, FY24 83.1%. LE 2 maximum fee for FY18 to FY24 is 95%.

B.5 SINGLE FEE

If the Contractor is part of a consortium, joint venture, and/or other teaming arrangement, as described in FAR Subpart 9.6, the team shall share in this contract fee structure. Separate additional subcontractor fee shall not be considered in an allowable cost under the contract if a subcontractor is a team member or, supplier, or lower-tier subcontractor is a wholly owned, majority owned, or affiliate of any team member, any fee or profit earned by such entity shall not be considered an allowable cost under this contract unless otherwise approved by the Contracting Officer.

The subcontractor fee restriction in the paragraph above does not apply to members of the Contractor’s team that are: (1) small business(es); (2) protégé firms as part of an approved mentor-protégé relationship; (3) subcontractors under a competitively awarded firm-fixed-unit-price subcontract; or (4) commercial items as defined in FAR Subpart 2.1, Definitions of Words and Terms.

B.6 CONTRACT VALUE

The contract value, consisting of the estimated costs and total available fee, by fiscal year (base period) is set forth below.

Fiscal Year	Estimated Costs	Available Award Fee	TOTAL
Transition Period (60 days) (02/01/14– 03/31/14)	\$0	\$0	\$0
FY 2014 (6 mos.)	\$62,336,127	\$3,567,202	¹ \$65,903,329
FY 2015	\$135,959,596	\$7,948,220	¹ \$143,907,816
FY 2016	\$152,347,025	\$7,503,419	¹ \$159,850,444
FY 2017	\$156,984,812	\$8,517,561	¹ \$165,502,373
FY 2018	\$197,944,524	\$9,743,406	¹ \$207,687,930
FY 2019	\$206,683,892	\$6,665,305	¹ \$213,349,197
FY 2020	\$333,971,905	² \$12,436,991	\$346,408,896
FY 2021	\$462,656,797	² \$13,391,594	\$476,048,391
FY 2022	\$384,700,198	\$12,505,574	\$397,205,772
FY 2023	\$249,271,252	\$10,114,838	\$259,386,091
FY 2024 (6 mos.)	\$95,919,494	\$4,467,445	\$100,386,939
TOTAL Contract Value	<u>\$2,438,775,622</u>	<u>\$96,861,555</u>	<u>\$2,535,637,176</u>

B.7 CONTRACT TYPE

This is a Cost-Plus-Award-Fee Performance-Based Contract.

¹ Fiscal Year Total reflects actual costs and earned award fee.

² Negotiated Available Award Fee

PART III – LIST OF DOCUMENTS, EXHIBITS, AND OTHER ATTACHMENTS
SECTION J
LIST OF ATTACHMENTS

ATTACHMENT B - WORK AUTHORIZATION DIRECTIVES

The Fiscal Year 2021 Work Authorization Directives for the period October 1, 2020 through September 30, 2021, dated September 30, 2020 are hereby incorporated by reference. Published WADs are located at:

<https://myspr.spr.doe.gov/PROC/ASD/WADS/Forms/WADS.aspx>

ATTACHMENT D – SMALL BUSINESS SUBCONTRACTING PLAN

The Revised Subcontracting Plan for the period October 1, 2016 through September 30, 2017 is hereby incorporated.

SECTION J
ATTACHMENT D

SMALL BUSINESS SUBCONTRACTING PLAN

Contractor: Fluor Federal Petroleum Operations, LLC
Address: 850 S Clearview Pkwy, New Orleans LA 70123
Contract Number: DE-FE0011020
Item/Service: Management and Operation of the SPR and Associated Activities

Amount of Contract for Fiscal Year 2021: Estimated \$473,111,792

Period of Contract Performance:

Type of Plan (Check One)

Individual Plan (All elements developed specifically for this Contract and applicable for the full term of this Contract.)

Master Plan (Goals developed for this Contract; all other elements standard; must be renewed every three years.) (See FAR 52.219-9(f)(1) -(3)).

Commercial Plan (Contractor sells large quantities of off-the-shelf commercial items to many Government agencies. Plans/goals are negotiated by a lead agency on a company-wide basis rather than for individual Contracts. Plan effective only during the year for which it is approved. The Contractor must provide a copy of the lead agency approval). (See FAR 19.704(d) and 52.219-9(g)).

I. Goals

This submittal shall include goals for Small Business concern (SB), Veteran-owned SB concern (VOSB), Service-disabled Veteran-owned SB concern (SDVOSB), HUBZone SB concern (HubSB), Small Disadvantaged Business concern (SDB), and Women-owned SB concern (WOSB), collectively referred to as SB concerns.

The proposed goals are based upon the estimated budget and commercial purchases, including those for Large Business concerns (LB), which will be derived from the current fiscal year budget and include mandated guidance from the Department of Energy. Goals may be changed within the first six months of each fiscal year by agreement between the CO and the Contractor if there is a cancellation or an addition of program or project funding. Goals for the use of SB, VOSB, SDVOSB, HubSB, SDB, and WOSB subcontractors shall be submitted as follows unless otherwise required by the CO.

The goals are expressed in both dollars and percentages for LB, SB, VOSB, SDVOSB, HubSB, SDB, and WOSB. It is the intent of Fluor Federal Petroleum Operations to commit at least 50% (DOE mandated goals) of the subcontracted dollars to SBs and to meet, if not exceed, the DOE's annual subcontracting goals.

A. The following percentage goals (expressed in terms of a percentage of total planned subcontracting dollars) are applicable to the Contract Period Fiscal Year 2021.



1. The total estimated dollar value of all planned subcontracting (to all types of business concerns) under this Contract is \$317,982,107.00 (100%).
 - a. LB Concerns. Total estimated dollar value and percent of planned subcontracting with LBs (all business concerns classified as “other than small”) (% of 1. above): \$158,991,053.50 and 50%.
 - b. SB Concerns. Total estimated dollar value and percent of planned subcontracting with SBs (include SB, VOSB, SDVOSB, HubSB, SDB, and WOSB concerns) (% of 1. above): \$158,991,053.50 and 50%.
 - c. VOSB Concerns. Total estimated dollar value and percent of planned subcontracting with VOSB (% of 1. above): \$9,539,463.21 and 3%. This amount is included in the amount shown under A.1.b, above, as a subset.
 - c. SDVOSB Concerns. Total estimated dollar value and percent of planned subcontracting with SDVOSBs (% of 1. above): \$9,539,463.21 and 3%. This amount is included in the amount shown under A.1.b, above, as a subset.

This amount is included in the amount shown under A.1.b, above, as a subset.
 - d. HubSB Concerns. Total estimated dollar value and percent of planned subcontracting with HubSBs (% of 1. above): \$9,539,463.21 and 3%. This amount is included in the amount shown under A.1.b, above, as a subset.
 - e. SDB Concerns. Total estimated dollar value and percent of planned subcontracting with SDBs (% of 1. above): \$15,899,105.35 and 5%. This amount is included in the amount shown under A.1.b, above, as a subset.
 - f. WOSB Concerns. Total estimated dollar value and percent of planned subcontracting with small women-owned businesses (% of 1. above): \$15,899,105.35 and 5%. This amount is included in the amount shown under A.1.b, above, as a subset.

B. A description of all the types of products and/or services that will be acquired under this Contract is necessary to determine how the subcontracted dollars are to be spent.

1. The following principal products and/or services will be subcontracted under this Contract, and the types of businesses supplying them are as follows.

Subcontracted Product/Service	Business Size (Other, SB), VOSB, SDVOSB, SDB, HubSb, SDB, WOSB	Planned Subcontractor (If known)
C.2.1 OPERATIONS		
Equipment Rental	Other, SB, SDB	Multiple
Surveying	SB, SDB, VOSB, SDVOSB	John T. Jakubik & Assoc., C.H.Fenstermaker Group and others
Non-destructive Testing	Other, SB, WOSB, VOSB	Multiple
Downhole Tools/Fishing	Other, SB	Multiple
Fuel Oil	SB, SDB, WOSB, HUBZ, Other	Multiple
Aviation	Other, SB, VOSB	Multiple



Subcontracted Product/Service	Business Size (Other, SB), VOSB, SDVOSB, SDB, HubSb, SDB, WOSB	Planned Subcontractor (If known)
CAVERN INTEGRITY AND WORKOVERS		
Cavern Integrity	Other, SB	Multiple
PETROLEUM ACQ & TRANSPORTATION		
Oil Sampling & Analysis	Other, SB, VOSB	Multiple
MAINTENANCE		
Inspection & Testing	Other, SB, WOSB, VOSB, SDVOSB	Multiple
Electrical Repairs	SB, VOSB	Multiple
Mechanical Repair	Other, SB, VOSB	Multiple
Welding	SB, SDB, WOSB, HUBZ, VOSB, SDVOSB	Multiple
Gas Services	SB, WOSB, VOSB	Multiple
Tank Cleaning	SB, SDB, WOSB	Multiple
Janitorial	SB, WOSB, SDB, VOSB, SD-VOSB	Multiple
MAJOR MAINTENANCE		
Light Construction	SB, SDB, WOSB, HUBZ, VOSB, SDVOSB	Multiple
ENVIRONMENTAL		
Environmental Inspections	SB, WOSB, SDB, HUBZ, VOSB, SDVOSB	Multiple
SECURITY		
Security Services & Support	Other, SB, SDB, WOSB	Multiple
ENGINEERING		
Material Consulting	SB, VOSB, SDB, WOSB, HUBZ, VOSB	Multiple
Engineering Services	SB, SDB, WOSB, HUBZ, VOSB	Multiple
PROCUREMENT/CONTRACTS		
Materials & Supplies	SB, SDB, WOSB, HUBZ, VOSB, SDVOSB	Multiple



2. Fluor Federal Petroleum Operations (FFPO) developed the proposed subcontracting goals for SB, SDB, WOSB, HUBZ SB, VOSB, and SDVOSB concerns through detailed planning and by including DOE small business subcontracting guidance.
3. Indirect costs have not been included in the dollar and percentage subcontracting goals stated above.
4. **Mentor-Protégé Program**

Mentoring is an important component of the Fluor Federal Petroleum Operations' SB/SDB philosophy. Fluor's history with Mentor Protégé agreements dates to 1994 when Fluor Fernald was the first DOE prime contractor to graduate three Protégées from the program.

Fluor Federal Petroleum Operations is currently in the process of identifying a qualified and capable company to enter the Mentor-Protégé program.

5. **Set-Aside Programs**

SB set-asides will be implemented in accordance with the terms and conditions of the prime contract dealing with the utilization of subcontractors for work that presents subcontracting opportunities. These set-asides will be considered when it is determined that such firms, consistent with efficient performance of the prime contract, have the capabilities and proven past performance to perform the work at fair and reasonable pricing. In particular, FFPO will utilize the following set-aside programs to facilitate attainment of the Diversity Subcontracting Goals and initiatives enumerated in this plan:

- A) Mandatory Small Purchase Set-Asides – When consistent with efficient contract execution, purchases made by FFPO of \$250,000 or less, and awarded through small purchase procedures, may be set-aside for SB's, SDBs, WOSBs, HSB's, or SDVOSB, and/or -VOSBs where there is a reasonable expectation that bids, competitive as to fair market price, quality and delivery, will be obtained from two (2) or more responsible SDBs, WOSBs, HSB's, or SDVOSB, and/or -VOSBs concerns.
- B) Discretionary Set-Asides – Purchases made by FFPO at any dollar value may be set-aside for small business and all purchases up to \$250,000 may be awarded to small businesses on a sole source basis when the award can be made at fair market price.
- C) Class Set-Asides - Notwithstanding the above, once a determination is made by FFPO that a product or service has been acquired successfully on a set-aside basis, future requirements for that product or service may be acquired based on a repetitive "class set aside" when deemed consistent with efficient and cost-effective performance of the prime contract.
- D) 8(a) Program Set-Asides - An 8(a) Set-Aside Program will be implemented which affords FFPO the ability to process acquisitions on a non-competitive basis to

selected SDB firms certified as active participants in the SBA's 8(a) Program provided that the total estimated value of the procurement action is less than \$5.5 million, (for acquisitions utilizing a manufacturing North American Industry Classification System (NAICS) code), or less than \$3.5 million, (for acquisitions falling within all other NAICS codes). In addition, FFPO may identify specific acquisitions above or below these thresholds exclusively for competition amongst 8(a) concerns. In all cases, the FFPO Small and Small Disadvantaged Business Utilization Administrator will be responsible for verifying that the proposed subcontractor(s) is certified as an active 8(a) in the NAICS code applicable to the acquisition. Additionally, all awards executed under this program will be bi-lateral subcontracts executed between FFPO and the 8(a) concern. FFPO will insure that these acquisitions are at fair market prices and consistent with the efficient attainment of SPR mission requirements.

II. Program Administrator

The subcontracting plan is to be administered by FFPO to assure that the provisions of applicable law and the plan are implemented and performed. Any change in the name of the program administrator will be communicated without delay to the CO by letter and will not require an immediate Contract modification. Such change(s), if any, will be included in the next applicable supplemental agreement Contract modification. The name, title, position within the corporate structure, and duties and responsibilities of the employee who will administer the Contractor's subcontracting program are listed below.

Name: Janet M. Rodriguez
Title: Diversity Subcontract Program Administrator
Address: 850 S. Clearview Parkway, New Orleans, LA 70123
Phone: 504.734.4256
E-fax: 504.818.5256
E-mail: janet.rodriguez@spr.doe.gov

The Diversity Subcontract Program Administrator has general overall responsibility for the Contractor's subcontracting program, i.e., developing, preparing, and executing individual subcontracting plans and monitoring performance relative to the requirements of this particular plan.

These duties may include, but are not limited to, the following activities:

- Developing and maintaining bidders' lists of SB, VOSB, SDVOSB, HubSB, SDB, and WOSB concerns from as many sources as possible
- Ensuring that procurement packages are structured to permit participation of SB, VOSB, SDVOSB, HubSB, SDB, and WOSB concerns to the maximum extent possible
- Ensuring inclusion of SB, VOSB, SDVOSB, HubSB, SDB, and WOSB concerns whose capabilities coincide with solicitations requiring their products or services
- Reviewing solicitations to identify and remove any statements, clauses, etc., which may restrict or prohibit participation of SB, SDVOSB, HubSB, SDB, and WOSB concerns.

- Ensuring that proper documentation provided by procurement personnel if selection not made to SB, VOSB, SDVOSB, HubSB, SDB, and WOSB concern that provided low bid
- Ensuring establishment and maintenance of records of solicitations and subcontract award activity
- Attending or arranging for attendance of company representatives/counselors at Business Opportunity Workshops, Minority Business Enterprise Seminars, Trade Fairs, etc.
- Monitoring achievement of proposed goals
- Preparing and submitting semi-annual and annual subcontract reports
- Coordinating contractor's activities prior to and during conduct of Federal agency compliance reviews.
- Other duties include:
 - Coordinating FFPO's activities during the conducting of SB compliance reviews
 - Coordinating the conduct of FFPO activities involving its small and SDB subcontracting program

Fluor Federal Petroleum Operations' Diversity Subcontract Program Administrator will routinely review progress toward subcontracting goals to ensure program effectiveness on this contract and will support procurement and contracts personnel during planning and through ongoing outreach activities.

III. Equitable Opportunities and Outreach Efforts

The FFPO Diversity Subcontracting Program Administrator will undertake efforts to ensure that SB, VOSB, SDVOSB, HubSB, SDB, and WOSB concerns will have an equitable opportunity to compete for and secure subcontracts to the maximum practicable extent.

A. Outreach efforts to obtain sources:

1. Contacting minority and SB trade associations
2. Contacting business development organizations
3. Attending small and minority business procurement conferences and trade fairs
4. Requesting sources from the System for Award Management (SAM)
5. Other participation in efforts or activities to expand the socioeconomic database for this Contract
6. Utilizing book references, catalogs, source lists, or other reference material to identify SB, VOSB, SDVOSB, HubSB, SDB, and WOSB sources before the acquisitions are placed by the buying activities
 - Developing an annual list of outreach events (procurement conferences, trade fairs, etc.) in which to participate
 - Work with SBA Procurement Center Representative (SBA-PCR), Small Business Development Centers, and Minority Business Development Centers in the region
 - Develop, implement, and maintain an Internet based system that can be utilized by interested sources to register as FFPO prospective suppliers at the SPR.

B. Internal efforts to guide and encourage purchasing personnel:

1. Presenting workshops, seminars, and training programs on requirements of this plan
2. Establishing, maintaining, and using SB, SDVOSB, HubSB, SDB, and WOSB source lists, guides, and other data for soliciting subcontracts
3. Monitoring activities to evaluate compliance with the subcontracting plan
4. Additional Efforts
 - Acquisition planning to include SB subcontracting opportunities
 - Maintaining summary reports and other documents on the outreach activity attended, including new sources.

Fluor Federal Petroleum Operations' policy is to comply with all government regulations and public law, including those concerning SB, SDB, WOSB, HUBZone, and SDVOSB concerns. It is an established FFPO policy that SB, SDB, WOSB, HUBZone, and SDVOSB concerns will have an equitable opportunity to compete for FFPO purchases.

IV. Subcontracting Plan Flowdown

The Contractor agrees to include the Contract's Section I Clause entitled FAR 52.219-8, Utilization of Small Business Concerns in all subcontracts that offer further subcontracting opportunities. All subcontractors, except SB concerns, which receive subcontracts in excess of \$700,000 (\$1,500,000 for construction) must adopt and comply with a plan similar to the plan required by FAR 52.219-9, Small Business Subcontracting Plan.

V. Reports and Surveys

Fluor Federal Petroleum Operations gives assurance of:

- A. Cooperation in any studies or surveys that may be required by the Contracting agency, or the U.S. Small Business Administration (SBA).
- B. Submission of periodic reports, which show compliance with the subcontracting plan.
- C. The Contractor shall submit the Individual Subcontract Report (ISR) and Summary Subcontract Report (SSR), using the Government's Electronic Subcontract Reporting Systems (eSRS). The Contractor shall submit the ISR and SSR reports electronically to a single, Government-wide system, which can be accessed at the following website: www.esrs.gov. The eSRS is a single reporting tool for all subcontracting plan accomplishments and provide the Government with immediate access to the Contractor's subcontracting data. The Contractor shall be responsible for inputting accurate and complete reports into the eSRS. Contractor reporting of ISR and SSR accomplishments using the eSRS will commence upon contract award.

- D. Ensuring that LB subcontractors with subcontracting plans agree to submit the ISR and SSR using eSRS.

Reporting Period	Report Due	Due Date
Oct 1 – Mar 31	ISR	April 30th
Apr 1 – Sep 30	ISR	Oct 30th
Oct 1 – Sep 30	SSR	Oct 30th

Submission of ISRs and SSR: The reports shall be submitted via the eSRS. The Contractor is required to register in the system. Contractor shall notify the CO and Contract Specialist via email upon completion/submission of the reports. The CO is responsible for reviewing/accepting all ISRs. The Small Business Program Manager (SBPM) is responsible for reviewing/accepting all SSRs. Email addresses of the CO and the SBA-PCR must be included on all ISRs and the email addresses of the SBPM and the SBA-PCR must be included on all SSRs.

VI. Records and Procedures

The following is a recitation of the types of records and procedures the Contractor will maintain to demonstrate compliance with the requirements and goals in the subcontracting plan. These records will include, but are not limited to the following:

- A. System for Award Management (SAM) is an integral part of our sourcing methodology. Additionally, FFPO employs various methods for identifying potential SB offerors, such as company source lists (Fluor corporate supplier and contractor registry and internal SB Program reference database); attendance at various trade shows, conventions, workshops, and conferences; participation in SB recruitment conferences and networking events; working with local SBA and PTAC offices; SBA Dynamic Small Business Search; and accessing various external sites. This ensures a maximum number of SB, SDB, WOSB, HUBZone, VOSB, and SDVOSB firms capable of providing the required supplies/services are considered.
- B. On a Contract-by-Contract basis, records on each subcontract solicitation resulting in an award of more than \$250,000 will indicate whether SB, VSOB, SDVOSB, HubSB, SDB, and WOSB concerns were solicited, and if not, why not; and if applicable, the reason that the award was not made to a SB concern
- C. Records to support other outreach efforts, e.g., contacts with minority and SB trade associations, attendance at small and minority business procurement conferences and trade fairs.
- D. Records to support internal guidance and encouragement provided to procurement personnel, on the utilization of SB, VOSB, SDVOSB, HubSB, SDB, and WOSB, thru workshops, seminars, training programs, and incentive awards.
- E. On a Contract-by-Contract basis, records to support subcontract award data including the name, address, and the business size of each subcontractor.
- F. We make every effort consistent with efficient contract execution to acquire goods and services from those SBs used in the preparation of our proposal in the same or greater scope, amount, and quality used in preparing the proposal. This includes SBs listed in the proposal



and/or subcontracting plan, and when the SB’s pricing, cost information or technical expertise was used in preparation of the proposal.


- G. We provide assurance that a written explanation will be submitted to the Contracting Officer if we are unable to fulfill the requirements of (12) above. The explanation, if required, will be submitted within 30 days of contract completion.
- H. Fluor does not prohibit or encourage subcontractors from discussing with the Contracting Officer any material matter pertaining to payment to or utilization of a subcontractor.
- I. It is Fluor policy to pay our SB subcontractors on time and in accordance with the terms and conditions of the underlying subcontract. The Contracting Officer will be notified if we make either a reduced or an untimely payment to a SB subcontractor.

VII. Strategy for Small Business Involvement

Fluor Federal Petroleum Operations will maximize opportunities for qualified SBs to compete for materials and services required for the execution of this project. We have an established sourcing methodology that gives priority to SB and incorporates a significant share of meaningful, varied, and complex work for SBs. A key element of FFPO’s SB strategy is involvement of the project management team. This is accomplished by integrating SB goals and targets into project planning as well as execution.

Additionally, our SB subcontracting approach is focused on the use of local and regionally based SBs. This helps strengthen the local economy, and creates new business opportunities, immediately and in the longer term.

This subcontracting plan was submitted by:

Signed: 

Typed Name: Janet M. Rodriguez

Title: Diversity Subcontract Program Administrator

Date: 12/17/2020

Phone No.: 504.734.4256



PLAN CONCURRED ON BY:

LESLIE BOURGEOIS Digitally signed by LESLIE
BOURGEOIS
Date: 2021.01.06 14:19:27 -06'00'

Leslie Bourgeois
Small Business Program Manager

PLAN ACCEPTED BY:

Date:

**JUSTIN
DUDENHEFER** Digitally signed by JUSTIN
DUDENHEFER
Date: 2021.01.06 14:43:17
-06'00'

Justin Dudenhefer
Contracting Officer

Date:

**ATTACHMENT J – PERFORMANCE EVALUATION AND
MEASUREMENT PLAN**

The Performance Evaluation and Measurement Plan for the period October 1, 2020 through September 30, 2021 is hereby incorporated by reference.



**U. S. DEPARTMENT OF ENERGY
STRATEGIC PETROLEUM RESERVE
PROJECT MANAGEMENT OFFICE**

FISCAL YEAR 2021

(OCTOBER 1, 2020 – SEPTEMBER 30, 2021)

**PERFORMANCE EVALUATION AND
MEASUREMENT PLAN**

FOR

FLUOR FEDERAL PETROLEUM OPERATIONS, LLC

CONTRACT NO. DE-FE0011020

SPRPMO 0394

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PERFORMANCE EVALUATION AND MEASUREMENT PLAN
CONTRACT NO. DE-FE0011020**

SIGNATURE PAGE

SUBMITTED BY:

DEPARTMENT OF ENERGY

JUSTIN
DUDENHEFER  Digitally signed by JUSTIN
DUDENHEFER
Date: 2021.01.27 16:13:59 -06'00'

JUSTIN DUDENHEFER
CONTRACTING OFFICER

DATE

Paul Oosterling  Digitally signed by Paul Oosterling
Date: 2021.01.27 16:21:11 -06'00'

PAUL OOSTERLING
PROJECT MANAGER

DATE

ACCEPTED BY:

FLUOR FEDERAL PETROLEUM OPERATIONS, LLC

DAN EVANS
PROJECT MANAGER

DATE

APPROVED BY:

Barton V. Barnhart  Digitally signed by Barton V.
Barnhart
Date: 2021.03.02 09:53:56 -05'00'

BARTON BARNHART
DEPUTY ASSISTANT SECRETARY
FOR PETROLEUM RESERVES

3/2/21

DATE

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INTRODUCTION

Purpose: This Performance Evaluation and Measurement Plan (PEMP) supplements and implements the total available fee provisions of Contract No. DE-FE0011020 with Fluor Federal Petroleum Operations, LLC (FFPO). This plan is for the management and operation of the Strategic Petroleum Reserve (SPR). This plan will define methodology and responsibilities associated with determining the fee to be awarded to FFPO. The plan outlines the organization, procedures, and evaluation period for implementing the fee provisions of the contract. The purpose of the incentive/award fee is to motivate the contractor to exceed standards and to emphasize key areas of performance and concern without jeopardizing minimum acceptable performance in all areas.

Incentive/Award Fee Period: The PEMP is for the performance period beginning October 1, 2020, and ending September 30, 2021.

ORGANIZATIONAL STRUCTURE

The organizational structure of the incentive fee process is established to ensure a fair and full evaluation of the contractor's performance. This PEMP is used in conjunction with SPR Project Management Office (PMO) Order 210.2B, SPRPMO Measurement Order, and the Quality Assurance Review. The PEMP states the key contract objective measures, including effectiveness and efficiency measures, corresponding execution targets (and stretch targets where applicable), and the percentage of potential fee to be earned. The PEMP also includes the criteria descriptions and evaluation criteria for each of the subjective measures.

This PEMP may be changed unilaterally by the government as stipulated in the total available fee provisions of the contract. All parties involved in the incentive/award fee process, including the contractor, are encouraged to recommend changes with a view toward redirecting management emphasis, motivating performance improvements, or enhancing the fee process. Any changes to the Plan will become effective consistent with the time frames outlined in the total available fee clause of the contract, or by mutual agreement of the parties. The Fee-Determining Official (FDO) approves all changes to the Plan, with the exception of administrative changes (e.g., changes in Performance Evaluation Committee (PEC) membership), which can be approved by the Award Fee Board (AFB) Chairperson.

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FEE STRUCTURE

Total available fee consists of an award fee based on objective performance measures and an award fee based on a subjective evaluation. The total available fee pool is **\$13,391,594**, to be broken down as follows: The fee pool for Facilities is **\$3,884,830** and for Life Extension 2 (LE 2) is **\$9,506,764**. LE 2 measures can be found within its own PEMP (document SPRPMO 0395). For each evaluation period, the government and the contractor will mutually agree upon, or in the event an agreement cannot be reached, the government will unilaterally establish: the evaluation areas, individual requirements, and the allocation of fee. The contractor's performance relative to the evaluation areas identified in the Critical Few Performance Measures (CFPMs) (Attachment 3), and the subjective measures based on the evaluation areas listed in Attachment 5, determines the amount of fee earned. The method for arriving at this determination is described herein. The evaluation period represented in this document is October 1, 2020, through September 30, 2021.

In addition to evaluating the contractor's achievement of the CFPMs and the subjective evaluation areas, the government will consider the impact of any material performance deficiencies in all areas of performance, regardless of whether a weight or fee has been specifically assigned. This includes, for example, marginal or unacceptable performance of work authorization directive (WAD) requirements; or less serious, but recurring or systemic, negative events. In evaluating the impact of performance deficiencies, the government will consider the timeliness and adequacy of corrective actions as well as the overall success of the contractor in exceeding the government's expectations.

The government expects the contractor to perform all contract work in a satisfactory manner. Therefore, if the contractor's performance is considered to be a less than satisfactory level of performance established in any area of contract performance, regardless of whether a weight or fee has been specifically assigned, the amount of otherwise earned fee may be reduced in whole or in part. In exercising this discretion, the government will consider the extent to which the unfavorable performance:

- ◆ Posed a threat to the environment or the health and safety of workers or the public as defined by the Integrated Safety Management System as approved by the Department of Energy (DOE).

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- ◆ Contributed to the occurrence of a catastrophic event such as a fatality or serious workplace-related injury or illness, hazardous material exposure exceeding regulatory limits, loss of control over classified material, or an event that causes significant damage to the environment.
- ◆ Jeopardized attainment of overall contract requirements, including essential mission requirements such as Drawdown readiness.
- ◆ Increased the cost to the government.

AWARD FEE COMPONENTS

The amount of fee earned will be based on an assessment of the contractor's performance through September 30, 2021, relative to the CFPMs contained in Attachment 3 and a subjective fee component in Attachment 5. Attachment 4 contains the grading scale against which the subjective components will be evaluated. Unearned fees will not be rolled over to any subsequent evaluation period but shall be forfeited. The AFB will also take into consideration any special accomplishments or deficiencies that may arise through this performance period. This information is received from the PEC and through the performance metrics set forth in the WADs. The method for determining earned fee is described below.

EVALUATION CRITERIA

Critical Few Performance Measures

1. Objective Fee Criteria

The CFPMs represent outcomes crucial to the successful execution of the SPR mission. The CFPMs are the core outcomes needed to achieve essential contract objectives. A fee is allocated to each CFPM. Notwithstanding the contractor's success in achieving the targets assigned to each CFPM, the final determination of fee will consider the extent to which material performance deficiencies (if any) occurred in any area of contract performance. When determining the amount of reduction to otherwise earned fee because of material performance deficiencies, due consideration will be given to the timeliness and adequacy of corrective actions as well as the overall success of the contractor in exceeding the government's expectations.

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In applying these standards, the government will consider any mitigating factors presented by the contractor. Such mitigating factors must have directly and materially affected the contractor's ability to achieve the specified standard and must be beyond the control and responsibility of the contractor.

2. Subjective Fee Criteria

The subjective criteria that has been established includes: The Technical Assurance APM, the Management & Administration APM, the Maintenance & Operations APM, the Systems & Projects APM, COVID-19, and Subcontractor Contract Management. Means to measure fulfillment of the criteria are provided in Attachment 5, Evaluation Areas. The fee amount associated with the subjective components will not exceed 25% of the available fee during any year of the contract. Areas within an evaluation criterion are not sub-criteria and will not be individually rated but considered in the overall evaluation for the particular evaluation criterion. If significant problems are identified in the evaluated performance for any criteria, the allocation scheme may be revised at the discretion of the FDO to appropriately reflect the impact of the identified problems. See Attachment 5 for evaluation criteria for each area. The criteria statements in Attachment 5 are not all inclusive. Any relevant performance information may be considered to assign an adjectival rating.

- a. Technical Assurance APM – manages programs and provides contractual, programmatic and financial oversight for Environmental, Industrial Safety and Health, Quality Assurance, Performance Improvement, Security Operations, Fire Protection, Emergency Management, and response to man-made and natural crisis as well as the SPRPMO Continuity of Operations programs.

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- b. Management & Administration APM – manages the SPRPMO Business, Audit and Chief Financial Officer (CFO) functions and provides a broad range of administrative services to the entire SPRPMO. The purpose of the Internal Audit function is to comply with the Internal Audit Clause of the contract (Department of Energy Acquisition Regulation 970.5232- 3). In the administration of contracts, property accountability, and real estate issues, assures that contractor-executed functions are carried out in a manner that protects government and contractor personnel and the general public against all environmental, health, and safety hazards arising from the performance of the contract work. The CFO role ensures financial management functions are conducted such that those items addressed in the work statements or identified as requirements are accomplished in an efficient manner, provide for continuity of operations, plan for future needs, and establish confidence and credibility for the SPR.

- c. Maintenance & Operations APM – responsible for developing and executing policies, plans, and procedures for geotechnical engineering, operations, maintenance, crude oil logistics, drawdown readiness, and the overall site management of all SPR storage sites and distribution facilities, thereby assuring the SPR’s readiness to receive crude oil from national and international suppliers, to safely maintain this oil in long-term storage, and to drawdown and distribute the oil during an energy emergency.

- d. Systems & Projects APM – manages information and communications technology; develops SPR systems and processes; establishes and refines technical engineering requirements; provides engineering support to Maintenance and Operations (M&O); manages all projects pertaining to SPR facilities and systems and the technical administration of SPRPMO contracts.

- e. COVID-19 – M&O contractor’s readiness to support COVID-19 response activities throughout the SPR complex.

- f. Subcontractor Contract Management – This subjective evaluation will assess the M&O contractor’s management of subcontractors.

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A grading table will be used to determine a suggested fee determined by the AFB. These scores will fall into the grading table which will consist of Excellent, Very Good, Good, Satisfactory, and Unsatisfactory (Attachment 4).

A minimum level of performance is defined as that which falls within a "Satisfactory" range in the grading table (Attachment 4) (i.e., a score no greater than 50%). Below minimum performance falls within the "Unsatisfactory" range, (i.e., a score of 49% or below). Above minimum performance falls within the "Good" through "Excellent" ranges, (i.e., a score of 51% or above). The government shall establish minimum and target output levels for each performance measure contained in the WADs with said levels being indicative of satisfactory and excellent performance, respectively. In addition to evaluating the contractor's achievement of defined output levels (objective evaluation), the government will consider qualitative factors (subjective evaluation) in determining a performance rating. Hence, discretionary factors will be integrated (with mathematical computations when needed) to produce a fee determination representative of the contractor's performance in totality.

DEFINITION OF TERMS

Award Fee Board (AFB) – The members that recommend to the FDO payment of fee amounts (see Attachment 1 for AFB members).

Contracting Officer – The individual authorized to commit and obligate the government through the life of contract. The Contracting Officer is responsible for forwarding the approved PEMP to the contractor.

Contracting Officer's Representatives – The individuals assigned to monitor and evaluate the contractor's performance on a continuing basis. They are responsible for providing input in areas of their technical expertise with the contractor.

Cost-Plus-Award-Fee Contract – A cost-reimbursement contract that provides for performance fee based upon a subjective evaluation by the government.

Evaluation Period – The period for evaluation; specifically, for this period, it is October 1, 2020, through September 30, 2021.

Executive Secretary – The Special Assistant to the Project Manager serves as the Executive Secretary to the Award Fee Board and prepares and submits the PEMP,

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including revisions to the FDO. The Executive Secretary prepares and submits the Fee Determination Report and letter for the FDO covering the recommendation of fee. The Executive Secretary ensures scheduling/administering of quarterly AFB meetings and the development of the final report of the AFB recommendations to the FDO. This role also serves as the focal point for feedback and communications and works with the PEC on their quarterly assessments.

Fee-Determining Official (FDO) – The Deputy Assistant Secretary for Petroleum Reserves. The FDO is responsible for the final determination of award fee allowed for the evaluation period.

Performance Evaluation Committee (PEC) – The members that make up the quarterly evaluation group that provide input to the AFB and to the contractor (see Attachment 2 for PEC members).

Award Fee Pool Amount – The full amount available that the contractor can earn for meeting CFPMs and Subjective Fee.

Project Manager – Serves as Chair of the AFB. Is responsible for assuring verification of the Management and Operating (M&O) contractor performance and approving administrative changes to the PEMP. The Project Manager conducts all final annual award fee debriefs to the contractor.

Quality and Performance Assurance Division (QPAD) – Conducts reviews with Subject Matter Expert (SME) on completed CFPMs and issues the Quality Assurance Review Report.

Subject Matter Expert (SME) – Conducts oversight of assigned performance measures per approved validation plans and provides performance oversight to ensure products and services are delivered in accordance with terms and conditions of the contract.

Work Authorization Directives (WADs) – Directives that set forth the annual work scope, deliverables, and performance measures (many of which are included in the PEMP).

ROLES AND RESPONSIBILITIES

- a. **Fee-Determining Official.** The FDO is the Deputy Assistant Secretary for the Office of Petroleum Reserves. The primary responsibilities of the FDO are to:

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- ◆ Approve the PEMP and any significant changes.
 - ◆ Approve the amount of fee earned and payable for each evaluation period.
 - ◆ Notify the contractor of the amount of total fee earned during the evaluation period. This notification will identify specific areas of strengths and performance deficiencies.
- b. **Award Fee Board**. The AFB membership is set forth in Attachment 1. The primary responsibilities of the AFB are to:
- ◆ Prepare and submit the PEMP, including any significant changes, for the approval of the FDO.
 - ◆ Submit an AFB report to the FDO covering its findings regarding performance and recommendations for the determination of earned fee.
- c. **Performance Evaluation Committee**. The PEC and its membership are identified in Attachment 2. The primary responsibilities of the PEC are to:
- ◆ Monitor and evaluate the contractor’s performance.
 - ◆ Conduct quarterly meetings with the contractor to provide feedback on performance.
 - ◆ Submit reports to the AFB covering the evaluation of the contractor’s performance.
 - ◆ Recommend, as appropriate, changes to this plan.
- d. **Executive Secretary**.
- ◆ Develops the PEMP with consultation from the AFB and the Contracting Officer.
 - ◆ Prepares a letter for the FDO for notification to the contractor of the amount of fee that has been earned for an evaluation period.

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- ◆ Submits quarterly request for payments for completed performance measures to the QPAD for review.
- ◆ Prepares the agenda and manages the quarterly AFB meetings.
- ◆ Submits a copy of the Quality Assurance Review results to the AFB regarding performance.

e. Contracting Officer.

- ◆ Assures appropriate coordination of performance expectations and evaluation criteria with Headquarters and policy organizations.
- ◆ Submits the PEMP to Headquarters Office of Acquisition Management for approval.
- ◆ Negotiates award fee amounts.
- ◆ Forwards the approved PEMP or evaluation criteria to the contractor through a contract modification.
- ◆ Provides technical direction to the contractor.
- ◆ Participates in quarterly AFB and PEC meetings.

AWARD FEE PROCESS

Performance reviews will be conducted on a quarterly basis to examine the contractor's performance. Formal feedback of strengths and weaknesses will be documented and provided on a quarterly basis by the PEC while a formal fee evaluation and determination by the AFB will be completed at the end of the evaluation cycle and recommended to the FDO.

The evaluation cycle consists of a yearlong evaluation period or may provide for multi-year incentive. During the evaluation period, the AFB/PEC will meet with the contractor quarterly to address the contractor's progress, any changes in goals and priorities, any serious problems or issues requiring resolution, and the results of the contractor's self-assessment process. The AFB, including the Contracting Officer, will attend these meetings. Staff members, who provide input to the PEC, are also invited to attend. The Executive Secretary to the AFB will provide a schedule for these quarterly progress meetings.

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Within five workdays after the end of the quarterly evaluation period, the contractor has the option of providing a written self-assessment report addressing its performance against the CFPMs and its overall success in exceeding the government's expectations (as applicable), setting forth data and information to demonstrate actual accomplishments relative thereto. It is incumbent upon the contractor to address any serious deficiencies noted during the evaluation period, accompanied by actions planned or taken to correct the deficiencies and avoid their recurrence. If the contractor presents mitigating factors, sufficient details must be provided to permit a thorough evaluation by the government. The contractor distributes the self-assessment to the members of the AFB and the PEC and must notify the government if a quarterly self-assessment report will not be provided by the 5th workday after end of the evaluation period.

PEC members will submit input to the PEC Chair within 10 workdays following the end of each quarterly assessment period. Within 20 workdays after the end of the evaluation period, the PEC Chair submits a report to the PEC covering his or her assessment of the contractor's performance and to the contractor for comment. Any comments the contractor chooses to make must be provided to the PEC within seven workdays after receipt of the PEC report. After the contractor comments are received and before the quarterly PEC debrief, the AFB will meet to review the performance status of the measures against the targets established and the validation plans. These comments will also be considered by the AFB when making a recommendation for earned performance fee to the FDO. The quarterly PEC debrief to the contractor will be conducted within 35 workdays after the end of the evaluation period.

Within 50 workdays after the end of the fiscal year, the AFB submits an annual evaluation report with fee recommendation to the FDO based on its consideration of the PEC reports, contractor's self-assessment and comments to the PEC reports, and any other relevant performance information available. The Executive Secretary also prepares a performance fee determination letter for the FDO to issue to the contractor.

Within 60 workdays after the end of the fiscal year evaluation period, the FDO notifies the contractor of his or her determination of earned fee. If the fee determination varies from the AFB recommendation, the FDO informs the AFB of the rationale so that the record can be documented accordingly.

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Within 10 workdays after the FDO approval of fee, the AFB Chair debriefs the contractor on the final determination and basis for the decision.

Performance measures completed during the fiscal year will be processed quarterly for determination of earned fee. Within five workdays after the completion of a measure, the contractor will submit to the Contracting Officer, with copy to the AFB Executive Secretary, a detailed completion report identifying specific information against the measures' established objective(s) and target(s), i.e., cavern numbers, milestone completion dates, etc. The contractor's completed report will be forwarded by the Contracting Officer to the measure's SME for validation against the methodology established and reviewed by the QPAD. The SME will have 10 workdays to validate the contractor's performance against the established measure and submit to the QPAD. Validation of the contractor's performance should be in accordance with the validation plan developed by the SME which identifies the objectives and targets that the contractor should work toward during the fiscal year.

To earn performance fee, the contractor shall meet specific completion criteria and expectations set forth in this PEMP. The contractor cannot earn fee for routine operations.

The contractor will perform at the satisfactory level in all areas of performance regardless whether a CFPM or fee has been assigned. If the contractor's performance is determined to be less than the minimum level of performance, earned fee may be reduced consistent with "Conditional Payment of Fee, Profit and Other Incentives – Facility Management Contract's clause (DEAR 970.5215-3)."

In applying these standards, the government will consider any mitigating factors presented by the contractor. Such factors must have directly and materially affected the contractor's ability to achieve the specified standard and must be beyond the control and responsibility of the contractor.

The contractor's performance, as a whole, for all evaluation periods will be a factor in considering the exercise of any contract option.

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MONITORING PROCESS

The QPAD will conduct a review with the SME to ensure documentation supports the SME's validation methods used to verify work performed by the contractor. The QPAD will issue a Quality Assurance Review Report with distribution to the AFB Executive Secretary and SME within 15 workdays after SME completes the validation. A memorandum signed by the Project Manager will be forwarded to the FDO quarterly for his review and concurrence on earned performance fee within five workdays after receipt of QA Review Report addressing all measures completed during the respective fiscal year quarter. Contractor will be notified of FDO's determination within 15 workdays after receipt of memorandum.

For those measures completed during the fiscal year, the contractor will submit a summary report within 10 workdays of completion, addressing the completion status of these measures (positive and subjective) against the targets established. The SME will have 5 workdays to validate the contractor's performance once the contractor's summary report is received, and the QPAD will have 30 workdays to complete its review once the SME completes the validation.

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Key Contract Objectives	Fee Percentage	Fee Allocation
Objective Performance Pool	75%	\$2,913,623
Subjective Performance Pool	25%	\$971,207
Subtotal	100%	\$3,884,830
<u>Total Fiscal Year 2021 Facilities Performance Fee Pool</u>		<u>\$3,884,830</u>

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ATTACHMENT 1**

AWARD FEE BOARD MEMBERSHIP

Chairperson:	Project Manager Strategic Petroleum Reserve
Members:	SPR Program Office Representative Assistant Project Manager* Management and Administration Assistant Project Manager Maintenance and Operations Assistant Project Manager Systems and Projects Assistant Project Manager Technical Assurance
Ex-officio Member:	Contracting Officer Acquisition and Sales Division
Executive Secretary:	Special Assistant to the Project Manager Office of Performance and Fee Management
General Attorney:	Office of Chief Counsel Serves in an Advisory capacity to the AFB

* REPRESENTS THE CHIEF FINANCIAL OFFICER

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ATTACHMENT 2**

PERFORMANCE EVALUATION COMMITTEE MEMBERSHIP

Tony Pate, Director, Quality Assurance & Performance Division (Chair)

Jennifer Coleman, Director, Planning and Financial Management Division*

Diane Willard, Configuration Management Officer

Darryl Rickner, Director, Site Operations and Maintenance Division

Roy Habbaz, Crude Oil, Drawdown Readiness, and Cavern Integrity Division

Todd Judice, Director, Systems Engineering and Analysis Division

Nick Palestina, Director, Project Engineering Division

Stephen Reece, Acting Director, Environmental, Safety & Health Division

Stephen Gauthé, Director, Security and Emergency Operations

Division Kelly Gele, Director, Acquisition and Sales Division

Leo Selico, Director, Information Systems and Technical Services

*Serves as Chief Financial Officer also

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ATTACHMENT 3

**OBJECTIVE FEE EVALUATION AREAS
CRITICAL FEW PERFORMANCE MEASURES**

For any completed measure that is validated to have fallen between the Target and Stretch Target range, the fee percentage will be subject to linear interpolation in calculating the fee. If a fee calculation cannot be reached using linear interpolation, then the calculation will be made by the Award Fee Board, with approval of the Chairperson.

Key Contract Objectives	Effectiveness and Efficiency Measures	Execution Targets	Fee Percentage	Fee Allocation
<p>90-Day Drawdown Rate</p> <p>Ensure the SPR's capability to respond to an energy emergency consistent with the established Drawdown criteria.</p>	<p>90-day Drawdown rate in barrels per day (12-month average)</p>	<p>Target: Meet Drawdown rate of 4.35 Million Barrels per day (12-month average)</p>	<p>Target: 14%</p>	<p>Target: \$543,876</p>
<p>Maintenance Performance Appraisal Rating (MPAR)</p> <p>Maintain SPR facilities and systems at a level adequate to meet program requirements.</p>	<p>Calculated MPAR score</p>	<p>Stretch Target: ≥ 98 point fiscal year average SPR-wide and ≥ 95 point fiscal year average at each SPR site</p>	<p>Stretch Target: 7%</p>	<p>Stretch Target: \$271,938</p>
		<p>Target: ≥ 95 point fiscal year average SPR-wide and ≥ 94 point fiscal year average at each SPR site</p>	<p>Target: 6%</p>	<p>Target: \$233,090</p>

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Key Contract Objectives	Effectiveness and Efficiency Measures	Execution Targets	Fee Percentage	Fee Allocation
<p>Cavern Workovers</p> <p>Ensure compliance with regulations regarding Caverns and Brine Disposal Wells.</p>	<p>Execute workovers (excluding cavern remediations) per workover schedule.</p>	<p>Stretch Target: Completion of 13 diagnostic workovers</p>	<p>Stretch Target: 13%</p>	<p>Stretch Target: \$505,028</p>
		<p>Target: Completion of 11 diagnostic workovers</p>	<p>Target: 11%</p>	<p>Target: \$427,331</p>
<p>Cavern Workover Remediation Program</p> <p>Ensure safe and successful execution of FY 2021 cavern workover remediation program.</p>	<p>Based on an approved priority-focused schedule, safely execute workovers for remediation of caverns on the SPR.</p>	<p>Stretch Target: Complete 2 well remediations.</p>	<p>Stretch Target: 3%</p>	<p>Target: \$116,545</p>
		<p>Target: Complete 1 well remediation (A completed remediation of the wellbore will be deemed successful if the follow-up MIT passes). Note: If Mechanical Integrity Test fails during next PEMP period, we reserve the right to take a portion or all of the performance fee associated with this measure.</p>	<p>Target: 1.5%</p>	<p>Target: \$58,272</p>

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Key Contract Objectives	Effectiveness and Efficiency Measures	Execution Targets	Fee Percentage	Fee Allocation
Uncosted Balance	Decrease the uncosted balance for FY 2021. Note: An exception may be provided for funds provided outside of the approved AOP unless requested by the M&O. Targets are based upon the current estimated uncosted balance.	Reduce Uncosted Balance by: Stretch Target: 20% or More	Stretch Target: 3%	Stretch Target: \$116,545
		Target: 15% to 19.99%	Target: 2%	Target: \$77,697
		Lower Target: 10% to 14.99%	Lower Target: 1%	Lower Target: \$38,848

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Key Contract Objectives	Effectiveness and Efficiency Measures	Execution Targets	Fee Percentage	Fee Allocation
<p>Reliability Availability Maintainability (RAM)</p> <p>Provide adequate assurance of the availability and reliability of system components necessary to carry out the SPR mission.</p>	<p>Calculated percentage of site availability to be validated by quarterly equipment exercise and required performance of drawn-down critical equipment to support full rate Drawdown.</p>	<p>Stretch Target:</p> <p>≥ 95 percent for each site each quarter.</p>	<p>Stretch Target:</p> <p>4%</p>	<p>Stretch Target:</p> <p>\$155,393</p>
		<p>Target:</p> <p>≥ 95 percent for SPR-wide average each quarter calculated of all four sites.</p>	<p>Target:</p> <p>2%</p>	<p>Target:</p> <p>\$77,697</p>
<p>Annual Operating Plan (AOP)</p> <p>Executes FY 2021 AOP total labor at or below obligated amount for FY 2021 Approved AOP.</p> <p>Note: Consideration will be given to anomalies that occur during the fiscal year that may impact this measure.</p>		<p>Underrun ST Labor by:</p> <p>Stretch Target:</p> <p>0% to 4.00%</p>	<p>Stretch Target:</p> <p>3%</p>	<p>Stretch Target:</p> <p>\$116,545</p>
		<p>Target:</p> <p>4.01% to 4.50%</p>	<p>Target:</p> <p>2%</p>	<p>Target:</p> <p>\$77,697</p>
		<p>Lower Target:</p> <p>4.51% to 5.00%</p>	<p>Lower Target:</p> <p>1%</p>	<p>Lower Target:</p> <p>\$38,848</p>

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Key Contract Objectives	Effectiveness and Efficiency Measures	Execution Targets	Fee Percentage	Fee Allocation
<p>Master Project Milestone Schedule</p> <p>Ensure effective mission execution through management and control of project milestones.</p>	<p>Percentage of FY 2021 Level 1, 2, and 3 milestones for which FFPO is responsible (excluding milestones associated with the Program Cyber Security Plan (PCSP) Implementation) that are completed in compliance with established Control Milestone Change Requests (CMCRs). (Excludes LE 2 milestones. See attachment 6 for LE 2)</p>	<p>Stretch Target:</p> <p>Complete all Level 1 and 2 milestones by the scheduled date. Complete at least 95% of all Level 3 milestones by the end of the fiscal year and at least 93% within 30 days of scheduled date.</p>	<p>Stretch Target:</p> <p>3%</p>	<p>Stretch Target:</p> <p>\$116,545</p>
		<p>Target:</p> <p>Complete all Level 1 and 2 milestones by the scheduled date. Complete at least 90% of all Level 3 milestones by the end of the fiscal year and at least 85% within 30 days of scheduled date.</p>	<p>Target:</p> <p>1.5%</p>	<p>Target:</p> <p>\$58,272</p>
<p>Ensure effective delivery of Crude Oil Sale and Return Storage Exchange Barrels</p>	<p>Successfully deliver crude oil in a safe and environmentally compliant manner to customers that were awarded contracts under Congressional mandated and authorized oil sales and the Reverse Exchange Program</p>	<p>Target:</p> <p>Per approved oil delivery schedule and sales contract requirements</p>	<p>Target:</p> <p>10%</p>	<p>Target:</p> <p>\$388,483</p>

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Key Contract Objectives	Effectiveness and Efficiency Measures	Execution Targets	Fee Percentage	Fee Allocation
<p style="text-align: center;">Major Maintenance Cost Performance</p>	<p>Maintain cost growth of awarded contract value within the allowable contingency (7% for construction and 3% for GFP). This measure will consider all completed projects.</p>	<p>Stretch Target:</p> <p>More than 90% within contingency (excluding scope change)</p>	<p>Stretch Target:</p> <p>3%</p>	<p>Stretch Target:</p> <p>\$116,545</p>
		<p>Target:</p> <p>More than 75% within contingency (excluding scope change)</p>	<p>Target:</p> <p>1.5%</p>	<p>Target:</p> <p>\$58,272</p>
<p style="text-align: center;">Major Maintenance Accuracy of Government Estimates (GE) vs. Award Value</p>	<p>The cumulative value of Contract Awards for Major Maintenance projects awarded during this fiscal year, excluding delivery orders or projects with extenuating circumstances, are maintained within the allowable targets.</p>	<p>Stretch Target:</p> <p>+/- 10% GE vs. Award</p>	<p>Stretch Target:</p> <p>3%</p>	<p>Stretch Target:</p> <p>\$116,545</p>
		<p>Target:</p> <p>+/- 15% GE vs. Award</p>	<p>Target:</p> <p>1.5%</p>	<p>Target:</p> <p>\$58,272</p>

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Key Contract Objectives	Effectiveness and Efficiency Measures	Execution Targets	Fee Percentage	Fee Allocation
Reportable Spills	Reportable releases to the environment, as defined by Federal and state regulatory agencies (this does not include any Reportable Releases that would correspond to the "Severe" or "Catastrophic" consequences as defined by the SPR Risk Coding Matrix, FFPO Document #AAA9020.1057, dated 08/2017)	Stretch Target: 4 reportable releases	Stretch Target: 3%	Stretch Target: \$116,545
		Target: 6 reportable releases	Target: 1.5%	Target: \$58,272
Repeat Findings during SEOD Security Surveys and Emergency Management Audits	Complete Five (5) SEOD Security Surveys and Five (5) Emergency Management Audit with a Satisfactory Composite Rating without Repeat Findings documented from the previous 3-years of Emergency Management Audits and Security Surveys in Topical Areas including Program Management Operations, Physical Protection, Personnel Security, Information Security, Protection Force and Foreign Visits and Assignments during the next 12-months.	Stretch Target: Zero Repeat Findings as a result of Emergency Management Audits and SEOD Security Surveys at BM, BH, WH, BC and New Orleans/Stennis sites during the next 12-month period.	Target: 2.0%	Target: \$77,697
		Target: One Repeat Finding as a result of Emergency Management Audits and SEOD Security Surveys at BM, BH, WH, BC and New Orleans/Stennis sites during the next 12-month period.	Target: 1.4%	Target: \$54,388

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Key Contract Objectives	Effectiveness and Efficiency Measures	Execution Targets	Fee Percentage	Fee Allocation
Internal Audit Control Operations	Maintain Audit Resolution and Follow-up System to track compliance with issues/findings identified through any review or audit conducted by any of the following groups: Inspector General (IG), Government Accountability Office (GAO), FFPO Internal Audit, or DOE Audit	Stretch Target: For any audit closed in FY21 (regardless of when it began) with findings for the SPR, a corrective action plan is developed (FFPO), approved by DOE and issued (FFPO) within 60 days leading to audit closure	Stretch Target: 2%	Stretch Target: \$77,697
		Target: within 75 days	Target: 1%	Target: \$38,848
		Lower Target: within 90 days	Lower Target: 0.5%	Lower Target: \$19,424
Emergency Management	Ensure that Emergency Response Team (ERT) members, 20 per site are qualified and active as defined (per ASL5500.25 and AAA9004.1)	Target: Maintain at least 20 ERT members per site	Target: 2%	Target: \$77,697

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ATTACHMENT 4

**GRADING TABLE
(FAR 16.401)**

AWARD-FEE ADJECTIVAL RATING	AWARD-FEE POOL AVAILABLE TO BE EARNED	DESCRIPTION
Excellent	91%-100%	Contractor has exceeded almost all of the significant award-fee criteria and has met overall cost, schedule, and technical performance requirements of the contract in the aggregate as defined and measured against the criteria in the award-fee plan for the award-fee evaluation period.
Very Good	76%-90%	Contractor has exceeded many of the significant award-fee criteria and has met overall cost, schedule, and technical performance requirements of the contract in the aggregate as defined and measured against the criteria in the award-fee plan for the award-fee evaluation period.
Good	51%-75%	Contractor has exceeded some of the significant award-fee criteria and has met overall cost, schedule, and technical performance requirements of the contract in the aggregate as defined and measured against the criteria in the award-fee plan for the award-fee evaluation period.
Satisfactory	No Greater Than 50%	Contractor has met overall cost, schedule, and technical performance requirements of the contract in the aggregate as defined and measured against the criteria in the award-fee plan for the award-fee evaluation period.
Unsatisfactory	0%	Contractor has failed to meet overall cost, schedule, and technical performance requirements of the contract in the aggregate as defined and measured against the criteria in the award-fee plan for the award-fee evaluation period.

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**ATTACHMENT 5
SUBJECTIVE FEE EVALUATION AREAS**

Subjective fee will be determined by way of an extensive questionnaire of performance and management of each APM’s respective WAD and its associated criteria within that WAD. Results from DOE’s ongoing comprehensive surveillance/oversight will be used to aid in grading this subjective evaluation area. A grading will be assigned to each APM quarterly utilizing the scores generated from the issued questionnaires as follows:

- EXCELLENT
- VERY GOOD
- GOOD
- SATISFACTORY
- UNSATISFACTORY

Criteria Description	Evaluation Criteria (Includes But Not Limited To)
<p>1. <u>Technical Assurance APM</u>– Comprised of three divisions, the APM for TA manages programs and provides contractual, programmatic and financial oversight for Environmental, Industrial Safety and Health, Quality Assurance, Performance Improvement, Security Operations, Fire Protection, Emergency Management, and response to man-made and natural crisis as well as the SPRPMO Continuity of Operations programs.</p>	<p><u>Environmental Safety & Health (ES&H) Division</u> – The ES&H provides direction through published plans, develops assessment criteria, and conducts programmatic oversight and of Prime Contractors’ implementation of integrated programs protecting employee and public health and safety as well as the SPR’s natural environment.</p> <ul style="list-style-type: none"> • The Environmental subjective evaluation will include a grading for the overall management of these areas: <ul style="list-style-type: none"> • Waste Management • ISO 14001 Compliance • CAS development and execution IAW DOE P 226.2 • The Safety & Health subjective evaluation will include a grading for the overall management of these areas: <ul style="list-style-type: none"> • Safety & Health Management CAS development and execution • Lockout – Tagout Program Implementation and Effectiveness • Hazard Assessment, Work Planning and Controls

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Criteria Description	Evaluation Criteria (Includes But Not Limited To)
	<ul style="list-style-type: none"> • Additionally, subjective evaluation will grade customer service in these areas: <ul style="list-style-type: none"> • WAD performance • Timeliness of deliverables • Quality of deliverables • Repeat PEC “deficient” narrative comments resolution <p>Quality & Performance Assurance (QPAD) Division – The QPAD integrates, coordinates, and provides technical assistance for the execution of policies, plans, and procedures for the SPR Quality Assurance, Performance Assurance, Process Improvement, and Management Oversight Programs.</p> <ul style="list-style-type: none"> • The subjective evaluation will include a grading for the overall management of these areas: <ul style="list-style-type: none"> • ISO 9001 compliance • CAEI/AEI reporting • CAS management • Additionally, subjective evaluation will grade customer service in these areas: <ul style="list-style-type: none"> • WAD performance • Timeliness of deliverables • Quality of deliverables • Repeat PEC “deficient” narrative comments resolution <p>Security & Emergency Operations (SEOD) Division – The SEOD provides direction through published plans, develops assessment criteria, and conducts programmatic oversight and line implementation of security operations, all-hazards emergency response, and intelligence programs.</p> <ul style="list-style-type: none"> • The subjective evaluation will include a grading for the overall management of these areas: <ul style="list-style-type: none"> • Site Security Surveys • Protective Force Management • Range Qualification Management

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Criteria Description	Evaluation Criteria (Includes But Not Limited To)
	<ul style="list-style-type: none"> • Additionally, subjective evaluation will grade customer service in these areas: <ul style="list-style-type: none"> • WAD performance • Timeliness of deliverables • Quality of deliverables • Repeat PEC “deficient” narrative comments resolution
<p>2. <u>Management & Administration APM</u> – Comprised of two divisions, the M&A APM manages the SPRPMO Business and Chief Financial Officer (CFO) functions and provides a broad range of administrative services to the entire SPRPMO. In the administration of contracts, assures that contractor-executed functions are carried out in a manner that protects government and contractor personnel and the general public against all environmental, health, and safety hazards arising from the performance of the contract work.</p>	<p><u>Planning & Financial Management (P&FD) Division</u> – The P&FD division manages the SPRPMO’s centralized Project-level planning and project control activities. The Directors CFO responsibilities include the review and concurrence of all financial oversights and audits of all financial management activities relating to the SPRPMO programs and operations, including budget, accounting, pricing, internal controls, and financial reporting functions, FOIA oversight and Audit Liaison.</p> <ul style="list-style-type: none"> • The subjective evaluation will include a grading for the overall management of these areas: <ul style="list-style-type: none"> • Cost & Obligations • Budget formulation • Financial Reporting • Additionally, subjective evaluation will grade customer service in these areas: <ul style="list-style-type: none"> • WAD performance • Timeliness of deliverables • Quality of deliverables • Repeat PEC “deficient” narrative comments resolution <p><u>Acquisition & Sales Division</u> – The Acquisition and Sales Division manages and executes the acquisition, sales (crude oil sales, purchase, exchange or storage) property management, and real estate activities of the SPRPMO, including the approval of simplified acquisitions, contracts, sales agreements, modifications, interagency agreements, leases, and contractor’s acquisition and property management systems within broad delegations of authority.</p>

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Criteria Description	Evaluation Criteria (Includes But Not Limited To)
	<ul style="list-style-type: none"> • The subjective evaluation will include a grading for the overall management of these areas: <ul style="list-style-type: none"> • Deliver timely procurement and best value products/services • Personal/Real Property management • SMTR program management • Additionally, subjective evaluation will grade customer service in these areas: <ul style="list-style-type: none"> • WAD performance • Timeliness of deliverables • Quality of deliverables • Repeat PEC “deficient” narrative comments resolution
<p>3. <u>Maintenance & Operations APM</u> – Comprised of two divisions and four storage site facilities, the Maintenance & Operations APM is responsible for developing and executing policies, plans, and procedures for geotechnical engineering, operations, maintenance, crude oil logistics, drawdown readiness, and the overall site management of all SPR storage sites and distribution facilities, thereby assuring the SPR’s readiness to receive crude oil from national and international suppliers, to safely maintain this oil in long-term storage, and to drawdown and distribute the oil during an energy emergency.</p>	<p><u>Crude Oil, Drawdown Readiness, & Cavern Integrity (CODDRCI) Division</u> – The CODDRCI manages SPR cavern maintenance planning, and analysis; drawdown readiness planning and assessments, oil acquisition, oil sales, oil accountability, inventory, and crude oil quality control, commercialization, crude oil trades and exchanges, and terminal agreements and contracts.</p> <ul style="list-style-type: none"> • The subjective evaluation will include a grading for the overall management of these areas: <ul style="list-style-type: none"> • Cavern Inventory Reporting Accuracy • LDNR/TRRC reporting & communication • Cavern Library • Systems Test Exercises • Additionally, subjective evaluation will grade customer service in these areas: <ul style="list-style-type: none"> • WAD performance • Timeliness of deliverables • Quality of deliverables • Repeat PEC “deficient” narrative comments resolution

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Criteria Description	Evaluation Criteria (Includes But Not Limited To)
	<p><u>Site Operations & Maintenance Division (SOMD) Division</u> – The SOMD division manages the field operations and maintenance activities at SPR oil storage facilities as well as Operations and Maintenance Support in New Orleans.</p> <ul style="list-style-type: none"> • The subjective evaluation will include a grading for the overall management of these areas: <ul style="list-style-type: none"> • Grounds Maintenance • Green Room Projects • Additionally, subjective evaluation will grade customer service in these areas: <ul style="list-style-type: none"> • WAD performance • Timeliness of deliverables • Quality of deliverables • Repeat PEC “deficient” narrative comments resolution <p>Four SPR sites – Feedback in the form of a customer service survey/questionnaire from each of the 4 sites will also be included from:</p> <ul style="list-style-type: none"> • Bryan Mound • Big Hill • West Hackberry • Bayou Choctaw <p><i>*The feedback will focus on the areas under the above SOMD Division.</i></p>

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Criteria Description	Evaluation Criteria (Includes But Not Limited To)
<p>4. Systems & Projects APM – Comprised of three divisions and Configuration Management, the Systems & Projects APM manages information and communications technology; develops SPR systems and processes; establishes and refines technical engineering requirements; provides engineering support to Maintenance and Operations; manages all projects pertaining to SPR facilities and systems as well as the technical administration of SPRPMO contracts.</p>	<p>Information Systems & Technical Services (IT) Division – The IT division manages SPR data systems, software engineering and IT project management functions covering all SPR IT equipment and facilities as well as responsible for the management and execution of forms management, records management, and directives management.</p> <ul style="list-style-type: none"> • The subjective evaluation will include a grading for the overall management of these areas: <ul style="list-style-type: none"> • Cyber Security Threat reaction • Schedules for data management plans • IT support (Help Desk, etc.) • Additionally, subjective evaluation will grade customer service in these areas: <ul style="list-style-type: none"> • WAD performance • Timeliness of deliverables • Quality of deliverables • Repeat PEC “deficient” narrative comments resolution <p>Systems Engineering & Analysis Division – The Systems Engineering and Analysis Division manages SPR systems engineering and project management support functions covering all SPR equipment, facilities, and systems.</p> <ul style="list-style-type: none"> • The subjective evaluation will include a grading for the overall management of these areas: <ul style="list-style-type: none"> • Pipeline Preventative Maint. Program • Subsidence Management Plan • Vapor Pressure monitoring plan • Process Hazard Analysis (PHAs) • Additionally, subjective evaluation will grade customer service in these areas: <ul style="list-style-type: none"> • WAD performance • Timeliness of deliverables

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Criteria Description	Evaluation Criteria (Includes But Not Limited To)
	<ul style="list-style-type: none"> • Quality of deliverables • Repeat PEC “deficient” narrative comments resolution <p>Project Engineering Division – The Project Engineering Division manages the design and construction management of all SPR equipment, facilities, and systems.</p> <ul style="list-style-type: none"> • The subjective evaluation will include a grading for the overall management of these areas: <ul style="list-style-type: none"> • Management of Design reviews • Construction Management • Conceptual Design reports • Additionally, subjective evaluation will grade customer service in these areas: <ul style="list-style-type: none"> • WAD performance • Timeliness of deliverables • Quality of deliverables • Repeat PEC “deficient” narrative comments resolution <p>Configuration Management – Configuration Management is responsible for managing the SPR configuration policies, requirements, and control systems and the SPR scheduling and schedule control system.</p> <ul style="list-style-type: none"> • The subjective evaluation will include a grading for the overall management of these areas: <ul style="list-style-type: none"> • Change control mechanisms • ECP closeout • Utilizing Level I, II, & III criteria into engineering designs • Additionally, subjective evaluation will grade customer service in these areas: <ul style="list-style-type: none"> • WAD performance • Timeliness of deliverables • Quality of deliverables • Repeat PEC “deficient” narrative comments resolution

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Criteria Description	Evaluation Criteria (Includes But Not Limited To)
	<ul style="list-style-type: none"> • Quality of deliverables • Repeat PEC “deficient” narrative comments resolution <p>Project Engineering Division – The Project Engineering Division manages the design and construction management of all SPR equipment, facilities, and systems.</p> <ul style="list-style-type: none"> • The subjective evaluation will include a grading for the overall management of these areas: <ul style="list-style-type: none"> • Management of Design reviews • Construction Management • Conceptual Design reports • Additionally, subjective evaluation will grade customer service in these areas: <ul style="list-style-type: none"> • WAD performance • Timeliness of deliverables • Quality of deliverables • Repeat PEC “deficient” narrative comments resolution <p>Configuration Management – Configuration Management is responsible for managing the SPR configuration policies, requirements, and control systems and the SPR scheduling and schedule control system.</p> <ul style="list-style-type: none"> • The subjective evaluation will include a grading for the overall management of these areas: <ul style="list-style-type: none"> • Change control mechanisms • ECP closeout • Utilizing Level I, II, & III criteria into engineering designs • Additionally, subjective evaluation will grade customer service in these areas: <ul style="list-style-type: none"> • WAD performance • Timeliness of deliverables • Quality of deliverables • Repeat PEC “deficient” narrative comments resolution

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Criteria Description	Evaluation Criteria (Includes But Not Limited To)
<p>5. <u>COVID-19</u> – M&O contractor’s readiness to support COVID-19 response activities throughout the SPR complex.</p>	<ul style="list-style-type: none"> • This subjective evaluation will include a grading for the overall management of the COVID-19 response activities. The areas of evaluation will include: <ul style="list-style-type: none"> • Enhanced cleaning and building management • Case management • Data management • Implementation of the Return to Work Plan
<p>6. <u>Subcontractor Contract Management</u> – This subjective evaluation will assess the M&O contractor’s management of Facilities subcontractors only.</p>	<ul style="list-style-type: none"> • The M&O contractor will demonstrate effective subcontract management to include: <ul style="list-style-type: none"> • Award of subcontracts as scheduled • Inclusion of all requirements • Perform subcontractor audits • Subcontractor administration • Contractor will monitor subcontractor performance to ensure compliance with all requirements to include: <ul style="list-style-type: none"> • Small business subcontracting plans • Buy American Act • Applicable labor statutes



**U. S. DEPARTMENT OF ENERGY
STRATEGIC PETROLEUM RESERVE
PROJECT MANAGEMENT OFFICE**

FISCAL YEAR 2021

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**LIFE EXTENSION 2
PERFORMANCE EVALUATION AND
MEASUREMENT PLAN**

FOR

FLUOR FEDERAL PETROLEUM OPERATIONS, LLC

CONTRACT NO. DE-FE0011020

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LE2 PERFORMANCE EVALUATION AND MEASUREMENT PLAN
CONTRACT NO. DE-FE0011020**

SIGNATURE PAGE

SUBMITTED BY:

DEPARTMENT OF ENERGY

**JUSTIN
DUDENHEFER** Digitally signed by JUSTIN
DUDENHEFER
Date: 2021.02.25 13:55:58
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**JUSTIN DUDENHEFER
CONTRACTING OFFICER**

**Paul
Oosterling** Digitally signed by Paul
Oosterling
Date: 2021.02.25
15:03:03 -06'00'

**PAUL S. OOSTERLING
PROJECT MANAGER**

ACCEPTED BY:

FLUOR FEDERAL PETROLEUM OPERATIONS, LLC

**DAN EVANS
PROJECT MANAGER**

APPROVED BY:

**Barton V.
Barnhart** Digitally signed by Barton V.
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**BARTON BARNHART
DEPUTY ASSISTANT SECRETARY
FOR PETROLEUM RESERVES**

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(OCTOBER 1, 2020 – SEPTEMBER 30, 2021)
LE2 PERFORMANCE EVALUATION AND MEASUREMENT PLAN
CONTRACT NO. DE-FE0011020**

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INTRODUCTION

Purpose: This Performance Evaluation and Measurement Plan (PEMP) supplements and implements the total available fee provisions of Contract No. DE-FE0011020 with Fluor Federal Petroleum Operations, LLC (FFPO). This plan is for the management and operation of the Strategic Petroleum Reserve (SPR). This plan will define methodology and responsibilities associated with determining the fee to be awarded to FFPO. The plan outlines the organization, procedures, and evaluation period for implementing the fee provisions of the contract. The purpose of the incentive/award fee is to motivate the contractor to exceed standards and to emphasize key areas of performance and concern without jeopardizing minimum acceptable performance in all areas.

Incentive/Award-fee Period: The PEMP is for the performance period beginning October 1, 2020 and ending September 30, 2021.

ORGANIZATIONAL STRUCTURE

The organizational structure of the incentive fee process is established to ensure a fair and full evaluation of the contractor's performance. This PEMP is used in conjunction with SPR Project Management Office (PMO) Order 210.2B, *SPRPMO Measurement Order and the Quality Assurance Review*. The PEMP shall include the key contract objective measures, with their effectiveness and efficiency measures, their corresponding execution target (and in most cases their stretch targets as well), and percentage of the fee potential to be earned. The PEMP also will include the criteria description and evaluation criteria of each of the subjective measures.

This PEMP may be changed unilaterally by the government as stipulated in the total available fee provisions of the contract. All parties involved in the incentive/award fee process, including the contractor, are encouraged to recommend changes with a view toward redirecting management emphasis, motivating performance improvements, or enhancing the fee process. Any changes to the Plan will become effective consistent with the time frames outlined in the total available fee clause of the contract, or by mutual agreement of the parties. The Fee-Determining Official (FDO) approves all changes to the Plan, with the exception of administrative changes (e.g. changes in Performance Evaluation Committee (PEC) membership), which can be approved by the Award Fee Board (AFB) Chairperson.

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FEE STRUCTURE

Total available fee consists of an award fee based on objective performance measures and an award fee based on a subjective evaluation. The total available fee pool is **\$13,391,594**, to be broken down as follows: The fee pool for Facilities is **\$3,884,830**, and for Life Extension 2 (LE2) is **\$9,506,764**. The Facilities measures can be found within its own PEMP (document SPRPMO 0394). For each evaluation period, the government and the contractor will mutually agree upon, or in the event an agreement cannot be reached, the government will unilaterally establish: the evaluation areas, individual requirements, and the allocation of fee. The contractor's performance relative to the evaluation areas identified in the critical few performance measures (CFPMs) (Attachment 3), and the subjective measures based on the evaluation areas listed in Attachment 4, determines the amount of fee earned. The method for arriving at this determination is described herein.

In addition to evaluating the contractor's achievement of the CFPMs and the subjective evaluation areas, the government will consider the impact of any material performance deficiencies in all areas of performance, regardless of whether a weight or fee has been specifically assigned. This includes, for example, marginal or unacceptable performance of work authorization directive (WAD) requirements; or less serious, but recurring or systemic, negative events. In evaluating the impact of performance deficiencies, the government will consider the timeliness and adequacy of corrective actions as well as the overall success of the contractor in exceeding the government's expectations.

The government expects the contractor to perform all contract work in a satisfactory manner. Therefore, if the contractor's performance is considered to be a less than satisfactory level of performance established in any area of contract performance, regardless of whether a weight or fee has been specifically assigned, the amount of otherwise earned fee may be reduced in whole or in part. In exercising this discretion, the government will consider the extent to which the unfavorable performance:

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- ◆ Posed a threat to the environment or the health and safety of workers or the public as defined by the Integrated Safety Management System as approved by the Department of Energy (DOE).
- ◆ Contributed to the occurrence of a catastrophic event such as a fatality or serious workplace-related injury or illness, hazardous material exposure exceeding regulatory limits, loss of control over classified material, or an event that causes significant damage to the environment.
- ◆ Jeopardized attainment of overall contract requirements, including essential mission requirements such as drawdown readiness.
- ◆ Increased the cost to the government.

FEE COMPONENTS

The amount of fee earned will be based on an assessment of the contractor's performance through September 30, 2021, relative to the CFPMs contained in Attachment 3 and a subjective fee component in Attachment 4. Attachment 5 contains the grading scale against which the subjective components will be evaluated. Unearned fee will not be rolled over to any subsequent evaluation period but shall be forfeited. The AFB will also take into consideration any special accomplishments or deficiencies that may arise through this performance period. This information is received from the PEC and through the performance metrics set forth in the WADs. The method for determining earned fee is described below.

EVALUATION CRITERIA

Critical Few Performance Measures

1. Objective Fee Criteria

The CFPMs represent the outcomes crucial to the successful execution of the SPR mission. The CFPMs are the core outcomes needed to achieve essential contract objectives. A fee is allocated to each CFPM. Notwithstanding the contractor's success in achieving the targets assigned to each CFPM, the final determination of fee will consider the extent to which material performance

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deficiencies (if any) occurred in any area of contract performance. In determining the amount of reduction to otherwise earned fee because of material performance deficiencies, due consideration will be given to the timeliness and adequacy of corrective actions as well as the overall success of the contractor in exceeding the government's expectations.

In applying these standards, the government will consider any mitigating factors presented by the contractor. Such mitigating factors must have directly and materially affected the contractor's ability to achieve the specified standard and must be beyond the control and responsibility of the contractor.

2. Subjective Fee Criteria

The subjective criteria that has been established includes a unique customer satisfaction survey. This survey is a means to measure the M&O contractor's performance in fulfilling contract requirements taking into account the Department's goals and objectives. The focus in the subjective element of this fee appraisal will pertain to the area of Subcontractor Contract Management and ES&H. Results from DOE's ongoing comprehensive surveillance and oversight will be used to aid in grading this subjective evaluation area.

Means to measure fulfillment of the criteria are provided in Attachment 4, Evaluation Areas. The fee amount associated with the subjective components will not exceed 25% of the available fee during any year of the contract. If significant problems are identified in the evaluated performance for any particular criteria, the allocation scheme may be revised at the discretion of the FDO to appropriately reflect the impact of the identified problems. See Attachment 4 for evaluation criteria for each area. The criteria statements in Attachment 4 are not all inclusive. Any relevant performance information may be considered to assign an adjectival rating.

A grading table will be used to determine a suggested fee determined by the AFB. These scores will fall into the grading table which will consist of Excellent, Very Good, Good, Satisfactory, and Unsatisfactory (Attachment 5).

A minimum level of performance is defined as that which falls within a "Satisfactory" range in the grading table (Attachment 5) (i.e., a score no greater than 50%). Below minimum performance falls within the

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“Unsatisfactory” range, (i.e., a score of 49% or below). Above minimum performance falls within the “Good” through “Excellent” ranges, (i.e., a score of 51% or above). The government shall establish minimum and target output levels for each performance measure contained in the WADs with said levels being indicative of satisfactory and excellent performance, respectively. In addition to evaluating the contractor’s achievement of defined output levels (objective evaluation), the government will consider qualitative factors (subjective evaluation) in determining a performance rating. Hence, judgmental factors will be integrated (with mathematical computations when needed) to produce a fee determination representative of the contractor’s performance in totality.

DEFINITION OF TERMS

Award Fee Board (AFB) – The members that recommend to the FDO payment of fee amounts (see Attachment 1 for AFB members).

Contracting Officer – The individual authorized to commit and obligate the government through the life of contract. The Contracting Officer is responsible for forwarding the approved PEMP to the contractor.

Contracting Officer’s Representatives – The individuals assigned to monitor and evaluate the contractor’s performance on a continuing basis. They are responsible for providing input in areas of their technical expertise with the contractor.

Cost-Plus-Award-Fee Contract – A cost-reimbursement contract that provides for performance fee based upon a judgmental evaluation by the government.

Evaluation Period – The period for evaluation specifically for this period is October 1, 2020, through September 30, 2021.

Executive Secretary – The Special Assistant to the Project Manager serves as the Executive Secretary to the Award Fee Board and prepares and submits the PEMP, including changes/revisions to the FDO. Also, prepares and submits the Fee Determination Report and letter for the FDO covering the recommendation of fee. Serves as the Executive Secretary ensuring scheduling/administering of quarterly AFB meetings and the development of the final report of the AFB recommendations to the FDO. Serves as the focal point for feedback and communications and works

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with the PEC on their quarterly assessments.

Fee-Determining Official (FDO) – The Deputy Assistant Secretary for Petroleum Reserves. The FDO is responsible for the final determination of award fee allowed for the evaluation period.

Performance Evaluation Committee (PEC) – The members that make up the quarterly evaluation group that provide input to the AFB and to the contractor (see Attachment 2 for PEC members).

Award Fee Pool Amount – The full amount available that the contractor has the opportunity to earn for meeting CFPMs and Subjective Fee.

Project Manager – Serves as Chair of the AFB. Is responsible for assuring verification of the Management and Operating (M&O) contractor performance and approving administrative changes to the PEMP. The Project Manager conducts all final annual award fee debriefs to the contractor.

Quality and Performance Assurance Division (QPAD) – Conducts reviews with Subject Matter Expert (SME) on completed CFPMs and issues the Quality Assurance Review Report.

Subject Matter Expert (SME) – Conducts oversight of assigned performance measures per approved validation plans and provides performance oversight to ensure products and services are delivered in accordance with terms and conditions of the contract.

Work Authorization Directives (WADs) – Directives that set forth the annual work scope, deliverables, and performance measures (many of which are included in the PEMP).

ROLES AND RESPONSIBILITIES

- a. **Fee-Determining Official.** The FDO is the Deputy Assistant Secretary for the Office of Petroleum Reserves. The primary responsibilities of the FDO are to:
 - ◆ Approve the PEMP and any significant changes.
 - ◆ Approve the amount of fee earned and payable for each evaluation

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period.

- ◆ Notify the contractor of the amount of total fee earned during the evaluation period. This notification will identify specific areas of strengths and performance deficiencies.
- b. **Award Fee Board**. The AFB membership is set forth in Attachment 1. The primary responsibilities of the AFB are to:
- ◆ Prepare and submit the PEMP, including any significant changes, for the approval of the FDO.
 - ◆ Submit an AFB report to the FDO covering its findings regarding performance and recommendations for the determination of earned fee.
- c. **Performance Evaluation Committee**. The PEC and its membership are identified in Attachment 2. The primary responsibilities of the PEC are to:
- ◆ Monitor and evaluate the contractor's performance.
 - ◆ Conduct quarterly meetings with the contractor to provide feedback on performance.
 - ◆ Submit reports to the AFB covering the evaluation of the contractor's performance.
 - ◆ Recommend, as appropriate, changes to this plan.
- d. **Executive Secretary**.
- ◆ Develops the PEMP with consultation from the AFB and the Contracting Officer.
 - ◆ Prepares a letter for the FDO for notification to the contractor of the amount of fee that has been earned for an evaluation period.
 - ◆ Submits quarterly request for payments for completed performance measures to the QPAD for review.

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- ◆ Prepares the agenda and manages the quarterly AFB meetings.
- ◆ Submits a copy of the Quality Assurance Review results to the AFB regarding performance.

e. Contracting Officer.

- ◆ Assures appropriate coordination of performance expectations and evaluation criteria with Headquarters and policy organizations.
- ◆ Submits the PEMP to Headquarters Office of Acquisition Management for approval.
- ◆ Negotiates award fee amounts.
- ◆ Forwards the approved PEMP or evaluation criteria to the contractor through a contract modification.
- ◆ Provides technical direction to the contractor.
- ◆ Participates in quarterly AFB and PEC meetings.

FEE PROCESS

Performance reviews will be conducted on a quarterly basis to examine the contractor's performance. Formal feedback of strengths and weaknesses will be documented and provided on a quarterly basis by the PEC while a formal fee evaluation and determination by the AFB will be completed at the end of the evaluation cycle and recommended to the FDO.

The evaluation cycle consists of a yearlong evaluation period or may provide for multi-year incentive. During the evaluation period, the AFB/PEC will meet with the contractor quarterly to address the contractor's progress, any changes in goals and priorities, any serious problems or issues requiring resolution, and the results of the contractor's self-assessment process. The AFB, including the Contracting Officer, will attend these meetings. Staff members, who provide input to the PEC, are also invited to attend. The Executive Secretary to the AFB will provide a schedule for these quarterly progress meetings.

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Within 5 workdays after the end of the quarterly evaluation period, the contractor has the option of providing a written self-assessment report addressing its performance against the CFPMs and its overall success in exceeding the government's expectations (as applicable), setting forth data and information to demonstrate actual accomplishments relative thereto. It is incumbent upon the contractor to address any serious deficiencies noted during the evaluation period, accompanied by actions planned or taken to correct the deficiencies and avoid their recurrence. If the contractor presents mitigating factors, sufficient details must be provided to permit a thorough evaluation by the government. The contractor distributes the self-assessment to the members of the AFB and the PEC and must notify the government if a quarterly self-assessment report will not be provided by the 5th workday after end of the evaluation period.

PEC members will submit input to the PEC Chair within 10 workdays following the end of each quarterly assessment period. Within 20 workdays after the end of the evaluation period, the PEC Chair submits a report to the PEC covering their assessment of the contractor's performance and to the contractor for comment. Any comments the contractor chooses to make must be provided to the PEC within 7 workdays after receipt of the PEC report. After the contractor comments are received and before the quarterly PEC debrief, the AFB will meet to review the performance status of the measures against the targets established and the validation plans. These comments will also be considered by the AFB when making a recommendation for earned performance fee to the FDO. The quarterly PEC debrief to the contractor will be conducted within 35 workdays after the end of the evaluation period.

Within 50 workdays after the end of the fiscal year, the AFB submits an annual evaluation report with fee recommendation to the FDO based on its consideration of the PEC reports, contractor's self-assessment and comments to the PEC reports, and any other relevant performance information available. The Executive Secretary also prepares a performance fee determination letter for the FDO to issue to the contractor.

Within 60 workdays after the end of the fiscal year evaluation period, the FDO notifies the contractor of his/her determination of earned fee. If the fee determination varies from the AFB recommendation, the FDO informs the AFB of the rationale so that the record can be documented accordingly.

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Within 10 workdays after the FDO approval of fee, the AFB Chair debriefs the contractor on the final determination and basis for the decision.

Performance measures completed during the fiscal year will be processed quarterly for determination of earned fee. Within 5 workdays after the completion of a measure, the contractor will submit to the Contracting Officer, with copy to the AFB Executive Secretary, a detailed completion report identifying specific information against the measures objective(s) and target(s) established, i.e., cavern numbers, milestone completion dates, etc. The contractor's completed report will be forwarded by the Contracting Officer to the measure's SME for validation against the methodology established and reviewed by the QPAD. The SME will have 10 workdays to validate the contractor's performance against the established measure and submit to the QPAD. Validation of the contractor's performance should be in accordance with the validation plan developed by the SME which identifies the objectives and targets that the contractor should work toward during the fiscal year.

To earn performance fee, the contractor shall meet specific completion criteria and expectations set forth in this PEMP. The contractor cannot earn fee for routine operations.

The contractor will perform at the satisfactory level in all areas of performance regardless whether a CFPM or fee has been assigned. If the contractor's performance is determined to be less than the minimum level of performance, earned fee may be reduced consistent with "Conditional Payment of Fee, Profit and Other Incentives – Facility Management Contract's clause (DEAR 970.5215-3)."

In applying these standards, the government will consider any mitigating factors presented by the contractor. Such factors must have directly and materially affected the contractor's ability to achieve the specified standard and must be beyond the control and responsibility of the contractor.

The contractor's performance, as a whole, for all evaluation periods will be a factor in considering the exercise of any contract option.

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MONITORING PROCESS

The QPAD will conduct a review with the SMEs to ensure documentation supports the SME's validation methods used to verify work performed by the contractor. The QPAD will issue a Quality Assurance Review Report with distribution to the AFB Executive Secretary and SME within 15 workdays after SME completes the validation. A memorandum signed by the Project Manager will be forwarded to the FDO quarterly for his review and concurrence on earned performance fee within 5 workdays after receipt of QA Review Report addressing all measures completed during the respective fiscal year quarter. contractor will be notified of FDO's determination within 15 workdays after receipt of memorandum.

For those measures completed during the fiscal year, the contractor will submit a summary report within 10 workdays addressing the completion status of these measures (positive and subjective) against the targets established. The SME will have 5 workdays to validate the contractor's performance once the contractor's summary report is received and the QPAD will have 30 workdays to complete its review once the SME completes the validation.

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Key Contract Objectives	Fee Percentage	Fee Allocation
LE2 Objective Performance Pool	75%	\$7,130,073
LE2 Subjective Performance Pool	25%	\$2,376,691
LE2 Subtotal	100%	\$9,506,764
<u>Total Fiscal Year 2021 LE2 Performance Fee Pool</u>		<u>\$9,506,764</u>

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ATTACHMENT 1**

AWARD FEE BOARD MEMBERSHIP

Chairperson:	Project Manager Strategic Petroleum Reserve
Members:	SPR Program Office Representative Federal Project Director Life Extension 2 Assistant Project Manager* Management and Administration Assistant Project Manager Maintenance and Operations Assistant Project Manager Systems and Projects Assistant Project Manager Technical Assurance
Ex-officio Member:	Contracting Officer Acquisition and Sales Division
Executive Secretary:	Special Assistant to the Project Manager Office of Performance and Fee Management
General Attorney:	Office of Chief Counsel Serves in an Advisory capacity to the AFB

* REPRESENTS THE CHIEF FINANCIAL OFFICER

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ATTACHMENT 2**

PERFORMANCE EVALUATION COMMITTEE MEMBERSHIP

Patrick Shepherd, Deputy Federal Project Director (Chair)

Edwards Frost, Bryan Mound Site Federal Project Director

Diane Willard, Bayou Choctaw Site Federal Project Director

Chris Pryor, Big Hill Site Federal Project Director

Scott Denneau, West Hackberry Site Federal Project Director

Claudia Lecompte-Johnson, Federal Project Director

Kevin Redmann, Projects and Business Specialist

Stephen Reece, Acting ESH Division Director

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ATTACHMENT 3**

**OBJECTIVE FEE EVALUATION AREAS
CRITICAL FEW PERFORMANCE MEASURES**

For any completed measure that is validated to have fallen between the Target and Stretch Target range, the fee percentage will be subject to linear interpolation in calculating the fee. If a fee calculation cannot be reached using linear interpolation, then the calculation will be made by the Award Fee Board, with approval of the Chairperson.

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Key Contract Objectives	Effectiveness and Efficiency Measures	Execution Targets	Fee Percentage	Fee Allocation
<p>Cost Control Index (CPI) Ensure activities leading up to and post CD-2/CD-3 are performed in a cost-effective manner in accordance with initial baselines. Proportional by percentage based on when CD 2/3 occurs.</p>	<p>In FY2021, the major cost categories to be managed by the M&O contractor are at the contracting quilt level at each site. These correspond to the LE2 WBS Level 4.</p>	<p>Stretch Target: Ninety Percent of Active (at least 25% complete) or Completed Control Accounts with Cumulative CPI greater than or equal to 0.95 of the approved baseline budget</p>	<p>Stretch Target: 8%</p>	<p>Stretch Target: \$760,541</p>
		<p>Target: Ninety Percent of Active (at least 25% complete) or Completed Control Accounts with Cumulative CPI greater than or equal to 0.85 of the approved baseline budget</p>	<p>Target: 4%</p>	<p>Target: \$380,271</p>

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Key Contract Objectives	Effectiveness and Efficiency Measures	Execution Targets	Fee Percentage	Fee Allocation
<p>Schedule Control Index (SPI) Ensure activities leading up to and post CD-2/CD-3 are performed in a cost-effective manner in accordance with initial baselines. Proportional by percentage based on when CD 2/3 occurs.</p>	<p>In FY2021, the major cost categories to be managed by the M&O contractor are at the contracting quilt level at each site. These correspond to the LE2 WBS Level 4.</p>	<p>Stretch Target: Ninety Percent of Active (at least 25% complete) or Completed Control Accounts with Cumulative SPI greater than or equal to 0.95 of the approved baseline budget</p>	<p>Stretch Target: 8%</p>	<p>Stretch Target: \$760,541</p>
		<p>Target: Ninety Percent of Active (at least 25% complete) or Completed Control Accounts with Cumulative SPI greater than or equal to 0.85 of the approved baseline budget</p>	<p>Target: 4%</p>	<p>Target: \$380,271</p>

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Key Contract Objectives	Effectiveness and Efficiency Measures	Execution Targets	Fee Percentage	Fee Allocation
<p>Baseline Execution Index (BEI) Ensure activities leading up to and post CD-2/CD-3 are performed in a cost-effective manner in accordance with initial baselines. Proportional by percentage based on when CD 2/3 occurs.</p>	<p>In FY2021, the major cost categories to be managed by the M&O contractor are at the contracting quilt level at each site. These correspond to the LE2 WBS Level 4.</p>	<p>Stretch Target: Ninety Percent of Active (at least 25% complete) or Completed Control Accounts with Cumulative BEI greater than or equal to 0.95 of the approved baseline budget</p>	<p>Stretch Target: 2%</p>	<p>Stretch Target: \$190,135</p>
		<p>Target: Ninety Percent of Active (at least 25% complete) or Completed Control Accounts with Cumulative BEI greater than or equal to 0.85 of the approved baseline budget</p>	<p>Target: 1%</p>	<p>Target: \$95,068</p>

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Key Contract Objectives	Effectiveness and Efficiency Measures	Execution Targets	Fee Percentage	Fee Allocation
<p>Master LE 2 Project Milestone Schedule Level 1, 2 & 3 Milestones.</p> <p>Percentage of the Pre CD-2/3 Level 1, 2, & 3 milestones that are completed in compliance with established Control Milestone Change process.</p>	<p>Complete all Level 1 and 2 milestones by the scheduled date. Complete at least 95% of all Level 3 milestones by the end of the fiscal year and at least 93% within 30 days of scheduled date.</p>	<p>Stretch Target:</p> <p>Complete all Level 1 and 2 milestones by the scheduled date. Complete at least 95% of all Level 3 milestones by the end of the fiscal year and at least 93% within 30 days of scheduled date.</p>	<p>Stretch Target:</p> <p>10%</p>	<p>Stretch Target:</p> <p>\$950,676</p>
		<p>Target:</p> <p>Complete all Level 1 and 2 milestones by the scheduled date. Complete at least 90% of all Level 3 milestones by the end of the fiscal year and at least 85% within 30 days of scheduled date.</p>	<p>Target:</p> <p>5%</p>	<p>Target:</p> <p>\$475,338</p>

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Key Contract Objectives	Effectiveness and Efficiency Measures	Execution Targets	Fee Percentage	Fee Allocation
Smart Plant Automated Outputs	Verified accurate outputs of the following: <ul style="list-style-type: none"> • Line list • P&ID • One-line diagrams • Instrument Index • Equipment list • Instrument data sheets 	Stretch Target: 98% of the output population is published by the AFC final package.	Stretch Target: 5.5%	Stretch Target: \$522,872
		Target: 95% of the output population is published by the final AFC package.	Target: 3%	Target: \$285,203
Data Quality & SmartPlant Data Integrity by final FY21 90% design review. Demonstrate, “publish and retrieve” / “publish and compare” capability by ensuring data integrity across the SmartPlant Design tools	Primary and Legacy tag matches across Smart Plant Enterprise tools (Verification/validation will by Smart Plant Enterprise reporting capabilities)	Stretch Target: By the AFC package, 98% tags match	Stretch Target: 5.5%	Stretch Target: \$522,872
		Target: By the AFC package, 95% tags match	Target: 3%	Target: \$285,203

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Key Contract Objectives	Effectiveness and Efficiency Measures	Execution Targets	Fee Percentage	Fee Allocation
<p>Contract Management, Procurement and Subcontracts</p> <p>Ensure effective management of contracting efforts such that that performance meets leading industry standards</p>	<p>Award all major* construction subcontracts for LE 2 within +/- x% of the government estimate (*>\$20MMUSD).</p> <p>Cumulative measurement at end of FY = Total Fee Available for measure / total # of projects awarded = fee awarded per project.</p> <p>On a per project basis:</p> <p>Each project that meets STRETCH TARGET = 100% fee earned per project</p> <p>Each project that meets TARGET = 75% fee earned per project</p> <p>Fails to meet target = fee not earned</p>	<p>Stretch Target:</p> <p>Within +/- 10%</p>	<p>Stretch Target:</p> <p>13%</p>	<p>Stretch Target:</p> <p>\$1,235,879</p>
		<p>Target:</p> <p>Within +/- 15%</p>	<p>Target:</p> <p>7%</p>	<p>Target:</p> <p>\$665,473</p>

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Key Contract Objectives	Effectiveness and Efficiency Measures	Execution Targets	Fee Percentage	Fee Allocation
<p>Accuracy of Final Contract Value vs. Initial Award Value</p> <p>Ensure effective management of contracting efforts such that that performance meets leading industry standards</p>	<p>Control Contract Cost Measure is of final contract value to initial award value not including changed site conditions.</p>	<p>Stretch Target:</p> <p>Within +/- 10% Final Contract Value to Initial Award Value</p>	<p>Stretch Target:</p> <p>13%</p>	<p>Stretch Target:</p> <p>\$1,235,879</p>
		<p>Target:</p> <p>Within +/- 15% Final Contract Value to Initial Award Value</p>	<p>Target:</p> <p>7%</p>	<p>Target:</p> <p>\$665,473</p>

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Key Contract Objectives	Effectiveness and Efficiency Measures	Execution Targets	Fee Percentage	Fee Allocation
Title III Construction Support Ensure timely and effective "Request for Information" responses.	Respond to all RFI within an average of "x" days of receipt from construction subcontractors (average of all RFI received during the fiscal year)	Stretch Target: 10 working days	Stretch Target: 10%	Stretch Target: \$950,676
		Target: 15 working days	Target: 5%	Target: \$475,338

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**ATTACHMENT 4
SUBJECTIVE FEE EVALUATION AREA**

Subjective fee will be determined by way of an extensive questionnaire of performance and management of the below criteria. Results from DOE's ongoing comprehensive surveillance/oversight will be used to aid in grading this subjective evaluation area. A grading will be assigned quarterly utilizing the scores generated from the issued questionnaires as follows:

- EXCELLENT
- VERY GOOD
- GOOD
- SATISFACTORY
- UNSATISFACTORY

Criteria Description	Evaluation Criteria (Includes But Not Limited To)
<p>1. <u>Subcontractor Contract Management</u> – This subjective evaluation will assess the M&O contractor's management of LE2 subcontractors only.</p>	<ul style="list-style-type: none"> • The M&O contractor will demonstrate effective subcontract management to include: <ul style="list-style-type: none"> • Inclusion of all requirements • Perform subcontractor audits • Subcontractor administration • The contractor will monitor subcontractor performance to ensure compliance with all requirements to include: <ul style="list-style-type: none"> • Small business subcontracting plans • Buy American Act • Applicable labor statutes

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<p>2. <u>Environment, Safety & Health</u> – Prevent serious injuries from occurring during construction projects that include life critical work activities (i.e. work from heights, motorized heavy equipment, motor vehicle operation, material handling, confined space entry, cranes and rigging, trenching and excavations, electrical work, hazardous energy control/line breaking) by ensuring that Life Critical Hazards are identified and workers are informed of the Life Critical Hazards associated with their work.</p>	<ul style="list-style-type: none">• The M&O contractor will demonstrate effective LE2 ES&H management to include:<ul style="list-style-type: none">• Preliminary Hazard Reviews• Pre-Job briefings include discussion of all applicable life critical activities for each construction activity in LE2• Post-Job briefings include discussion of all applicable life critical activities for each construction activity in LE2
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ATTACHMENT 5

**GRADING TABLE
(FAR 16.401)**

AWARD-FEE ADJECTIVAL RATING	AWARD-FEE POOL AVAILABLE TO BE EARNED	DESCRIPTION
Excellent	91%-100%	Contractor has exceeded almost all of the significant award-fee criteria and has met overall cost, schedule, and technical performance requirements of the contract in the aggregate as defined and measured against the criteria in the award-fee plan for the award-fee evaluation period.
Very Good	76%-90%	Contractor has exceeded many of the significant award-fee criteria and has met overall cost, schedule, and technical performance requirements of the contract in the aggregate as defined and measured against the criteria in the award-fee plan for the award-fee evaluation period.
Good	51%-75%	Contractor has exceeded some of the significant award-fee criteria and has met overall cost, schedule, and technical performance requirements of the contract in the aggregate as defined and measured against the criteria in the award-fee plan for the award-fee evaluation period.
Satisfactory	No Greater Than 50%	Contractor has met overall cost, schedule, and technical performance requirements of the contract in the aggregate as defined and measured against the criteria in the award-fee plan for the award-fee evaluation period.
Unsatisfactory	0%	Contractor has failed to meet overall cost, schedule, and technical performance requirements of the contract in the aggregate as defined and measured against the criteria in the award-fee plan for the award-fee evaluation period.