



Department of Energy
National Nuclear Security Administration
 Washington, DC 20585
 November 28, 2014



MEMORANDUM FOR: Steven J. Lawrence
 Manager
 NNSA Nevada Field Office

From: Madelyn R. Creedon 
 Principal Deputy Administrator

Subject: National Security Technologies, LLC, DE-AC52-06NA25946,
 Fiscal Year 2014 Performance Fee

The National Nuclear Security Administration (NNSA) has completed its assessment of National Security Technologies, LLC's effectiveness in meeting the performance expectations established in the Fiscal Year 2014 Performance Evaluation Plan for the period of October 1, 2013 through September 30, 2014. Based on assessments provided in the NNSA Performance Evaluation Report, award fee amounts are as follows:

	<u>At Risk %</u>	<u>Available</u>	<u>Final</u>	<u>Percent</u>
PO 1: Nuclear Weapons Mission	25%	\$6,390,739	\$5,751,665	90%
PO2: Broader National Security Mission	12.5%	\$3,195,369	\$2,716,064	85%
PO 3: Science, Technology & Engineering	12.5%	\$3,195,369	\$3,067,554	96%
PO 4: Operations & Infrastructure	25%	\$6,390,738	\$4,345,702	68%
PO 5: Leadership	25%	\$6,390,738	\$5,432,127	85%
Total		\$25,562,953	\$21,313,112	83.4%

In addition, the fixed fee and total fee summaries are provided below for your information:

	\$0	\$0	
Fixed Fee			
WFO (Fixed Fee)	\$5,082,350	\$5,082,350	
Total Fixed Fee	\$5,082,350	\$5,082,350	
Total Summary	\$30,645,303	\$26,395,462	86%



During FY2014, NSTec continued to have technical and management issues in support of Source Physics Experiment (SPE) experiment execution. NSTec also experienced a number of incidents that identified issues with the effective implementation of their worker safety & health and conduct of operations programs. NSTec responded with focused management attention, outstanding parent corporation support, and major operational changes that indicate a heightened level of commitment and focus that had been lacking. It is anticipated NSTec will maintain this heightened focus in order to resolve the on-going technical and management issues in support of SPE experiment execution as well as lead to the improvement of the systemic downward trends experienced in FY2014.