

**Fiscal Year 2016
DOE/NNSA Strategic Performance Evaluation and Measurement Plan (PEMP)**

**SAVANNAH RIVER NUCLEAR SOLUTIONS, LLC
MANAGEMENT AND OPERATION OF THE
SAVANNAH RIVER SITE NNSA OPERATIONS**

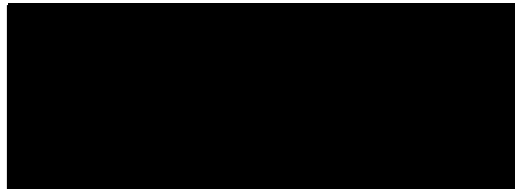
Contract Number: DE-AC09-08SR22470

Performance Evaluation Period: October 01, 2015 through September 30, 2016



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FY 2016 PERFORMANCE EVALUATION AND MEASUREMENT PLAN

DOCUMENT REVISION HISTORY

Revision

Date

Change Description

INTRODUCTION

The Savannah River Site (SRS) is a *site* owned by the United States Department of Energy (DOE), herein referenced as 'Plant' and is managed by Savannah River Nuclear Solutions, LLC (SRNS). Pursuant to the terms and conditions of the Contract, this NNSA Performance Evaluation and Measurement Plan (PEMP) sets forth the criteria in which SRNS performance will be evaluated and upon which the determination of the amount of award fee earned shall be based. The available award fee amounts for FY 2016 are specified in Section B-2.3 of the contract. This PEMP promotes a strategic Governance and Oversight framework based on prudent management of risk, accountability, transparency, and renewed trust. It has been written to implement the collective governance and oversight reform principles as expressed by the DOE/National Nuclear Security Administration (NNSA).

PERFORMANCE BASED APPROACH

The performance-based approach evaluates the SRNS performance through a set of Goals. Each Goal, and its associated Objectives and Key Outcomes (KOs), will be measured against authorized work in terms of cost, schedule, and technical performance, and the respective outcomes, demonstrated performance, and impact to the DOE/NNSA mission.

MISSION

SRNS shall furnish the necessary personnel, facilities, equipment, materials, supplies, and services (except those provided by the Government) to accomplish the Scope of Work. The Scope of Work, under the Performance Based Management Contract, is comprehensive in that the Contractor shall perform all necessary technical, operations and management functions to manage and operate SRS and perform the mission assigned to the site.

MISSION PERFORMANCE

SRNS is accountable for and will be evaluated on successfully executing program work in accordance with applicable DOE/NNSA safety and security requirements consistent with the terms and conditions of the Contract. Protection of worker and public safety, the environment, and security are essential and implicit elements of successful mission performance. Accordingly, SRNS shall plan safety and security improvements and accomplishments as an integral component of mission performance contributing to meeting the affected programmatic Goals. The model for this PEMP is to rely on SRNS leadership to use appropriate DOE contractual requirements and recognized industrial standards based on consideration of assurance systems, and the related measures, metrics, and evidence. **SRNS is expected to manage in a safe, secure, efficient, effective, results-driven manner, with appropriate risk management and transparency to the government, while taking appropriate measures to minimize costs that do not compromise core objectives and mission performance.** Products and services are expected to be delivered on-schedule and within budget.

CONSIDERATION OF CONTEXT IN PERFORMANCE EVALUATION

The evaluation of performance will consider "context" such as unanticipated barriers (e.g., budget restrictions, rule changes, circumstances outside SRNS control), degree of difficulty, significant accomplishments, and other events that may occur during the performance period. A significant safety or security event may result in an overall limitation to adjectival ratings. Such impacts may be balanced by the response to the incident, and by other initiatives to improve overall safety or security performance. SRNS is encouraged to note significant safety and security continuous improvements.

PERFORMANCE RATING PROCESS

DOE/NNSA will review performance throughout the performance evaluation period, and provide tri-annual feedback to SRNS highlighting successes and/or needed improvement. At the end of the performance

evaluation period, an evaluation of SRNS performance will be completed. This evaluation will be documented in a Performance Evaluation Report (PER), and will include the performance ratings and award fee earned for the subject performance evaluation period. Objectives and KOs will be assessed in the aggregate to determine an adjectival performance rating for each Goal. DOE/NNSA will consider SRNS's end of year self-assessment report in the performance evaluation. The performance ratings will be determined in accordance with FAR 16.401(e) (3) yielding ratings of Excellent, Very Good, Good, Satisfactory or Unsatisfactory. The Goals will then be considered in the aggregate to provide an overall rating and percentage of award fee earned for the contract. Notwithstanding the overall strategic framework, any significant failure may impact the overall rating and award fee earned. The Fee Determining Official's (FDO) award fee determination is a unilateral decision made solely at the discretion of NNSA.

PEP CHANGE CONTROL

It is essential that a baseline of performance expectations be established at the beginning of the performance period to equitably measure performance, and that changes to that baseline are carefully managed. Any change to the PEMP requires concurrence by the appropriate program office and the NNSA Senior Procurement Executive prior to the Field Office Manager and Contracting Officer signatures. While recognizing the unilateral rights of DOE/NNSA as expressed in the contract terms and conditions, bilateral changes are the preferred method of change whenever possible.

FINAL DECISION

SRNS may request a face-to-face meeting with the FDO to highlight their site's strategic performance at the end of the performance evaluation period. This meeting should occur within the first two weeks after the end of the period.

TOTAL AVAILABLE AWARD FEE ALLOCATION

Performance Category	Goal	% At-Risk Fee Allocation
Programs (NA-10)	Goal-1: Manage the Nuclear Weapons Mission	29%
Programs (NA-20, NA-40, NA-80)	Goal-2: Reduce Nuclear Security Threats	25%
Programs (FOM)	Goal-3: DOE and Strategic Partnership Project Mission Objectives	0%
Operations & Mission Execution (FOM)	Goal-4: Science, Technology, and Engineering (ST&E)	3%
Operations & Mission Execution (FOM)	Goal-5: Operations and Infrastructure	33%
Operations & Mission Execution (FOM)	Goal-6: Leadership	10%

UNEARNED FEE

DOE/NNSA reserves the right to withdraw and redistribute DOE/NNSA unearned fees.

AWARD TERM INCENTIVE

There is no Award Term Incentive for this contract.

INNOVATIVE SOLUTIONS

SRNS will recommend innovative, science-based, systems-engineering solutions to the most challenging problems that face the nation and the globe. SRNS will also provide evidence to support programmatic needs and operational goals tempered by risk. DOE/NNSA will take into consideration all major functions including safety and security contributing to mission success. In addition, SRNS is expected to recommend and implement innovative business and management improvement solutions that enhance efficiencies.

Goal-1: Manage the Nuclear Weapons Mission

Successfully execute Nuclear Weapons mission work in a safe and secure manner in accordance with DOE/NNSA Priorities, Program Control Document and Deliverables, and Program Implementation Plans, and Weapon Quality Assurance Requirements. Integrate across the plant, while maintaining a DOE/NNSA enterprise-wide focus, to achieve greater impact on a focused set of strategic national security priorities.

Objectives:

- Objective-1.1 Accomplish work as negotiated with program sponsors and partners integrating quality requirements into an effective quality assurance program at their sites and through their suppliers that results in the design, production, and delivery of safe, secure, and reliable weapon products meeting performance, transportation, and cost effective operations.**
- Objective-1.2 Maintain knowledge of the state of the stockpile, resulting from successful execution of the stockpile surveillance program and a robust scientific and engineering understanding for the delivery of the annual stockpile assessment.**
- Objective-1.3 Execute stockpile work to deliver stockpile system maintenance, production, limited-life component exchanges, weapon containers and dismantlements.**
- Objective-1.4 Demonstrate the application of new strategies, technologies, and scientific understanding to support stewardship of the existing stockpile and future stockpile needs.**
- Objective-1.5 Sustain unique science and engineering capabilities, facilities and essential skills to ensure current and future Nuclear Weapons mission requirements will be met.**
- Objective-1.6 Execute Phase 6.X and product realization processes and activities in support of nuclear weapon life extension programs, modification and alterations in accordance with NNSA requirements and Nuclear Weapons Council guidance.**

Key Outcome(s):

- KO-1.1 Effectively execute the B61-12 LEP and W80-4 LEP Phase 6.X programs in accordance with program-specific and NNSA Projects Controls System directives, including a tailored Earned Value Management process, in order to: 1) meet schedule; 2) comply with Phase 6.X Process and Product Realization Processes; 3) lower risks; 4) control change; and 5) control costs.**

Goal-2: Reduce Nuclear Security Threats

Successfully execute authorized global nuclear security mission work in a safe and secure manner to include the Defense Nuclear Nonproliferation, Nuclear Counterterrorism, and Counter Proliferation and Incident Response missions. Integrate across the NNSA enterprise to achieve greater impact on a focused set of strategic national security priorities.

Objectives:

- Objective-2.1** Support efforts to secure, account for, and interdict the illicit movement of nuclear weapons, weapons-useable nuclear materials and radiological materials.
- Objective-2.2** Support U.S. national and nuclear security objectives in reducing global nuclear security threats through the innovation of unilateral and multi-lateral technical capabilities to detect, identify, and characterize: 1) foreign nuclear weapons programs, 2) illicit diversion of special nuclear materials, and 3) global nuclear detonations.
- Objective-2.3** Support efforts to achieve permanent threat reduction by managing and minimizing excess weapons-useable nuclear materials and providing nuclear materials for peaceful uses.
- Objective-2.4** Support efforts to prevent proliferation, ensure peaceful nuclear uses, and enable verifiable nuclear reductions in order to strengthen the nonproliferation and arms control regimes.
- Objective-2.5** Sustain and improve nuclear counterterrorism and counterproliferation science, technology, and expertise; execute unique emergency response missions, implement policy in support of incident response and nuclear forensics missions, and assist international partners/ organizations

Key Outcome(s):

- KO-2.1** Perform activities in support of surplus materials disposition program, including production of plutonium oxide and execution of the HB-Line Ventilation Modification General Plant Project in accordance with an approved baseline.
- KO-2.2** Support the timely and complete removal of all plutonium fuel from Japan's Fast Critical Assembly.
- KO-2.3** Support receipts and unloading of NRU/NRX spent fuel and Target Residue Material from Canada.

Goal-3: DOE and Strategic Partnership Project Mission Objectives

Successfully execute high-impact work for DOE and Strategic Partnership Project Mission Objectives safely and securely. Demonstrate the value of the work in addressing the strategic national security needs of the U.S. Government.

Objectives:

- Objective-3.1** Pursue and perform high-impact work for DOE that strategically integrates with the DOE/NNSA mission, and leverages, sustains and strengthens unique science and engineering capabilities, facilities and essential skills.
- Objective-3.2** Pursue and perform high-impact Strategic Partnership Projects that strategically integrates with the DOE/NNSA mission, and leverages, sustains and strengthens unique science and engineering capabilities, facilities and essential skills in support of future national security mission requirements.

KeyOutcome(s):

None.

Goal-4: Science, Technology, and Engineering (ST&E)

Successfully advance national security missions and advance the frontiers of ST&E in accordance with budget profile, scope, cost, schedule and risk while achieving the expected level of quality, safety and security. Effectively manage Plant *Directed* Research and Development (PDRD) and Technology Transfer programs to advance the frontiers of ST&E

Objectives:

- Objective-4.1** Execute a research strategy that is clear and aligns discretionary investments (e.g., (PDRD) with plant strategy and support DOE/NNSA priorities.
- Objective-4.2** Ensure that research is relevant, enables the national security missions, and benefits DOE/NNSA and the nation.
- Objective-4.3** Ensure that research is transformative, innovative, leading edge, high quality, and advances the frontiers of science and engineering.
- Objective-4.4** Maintain a healthy and vibrant research environment that enhances technical workforce competencies and research capabilities.
- Objective-4.5** Research and develop high-impact technologies through effective partnerships and technology transfer mechanisms that support the plant's strategy, DOE/NNSA priorities and impact the public good.

KeyOutcome(s):

None.

Goal-5: Operations and Infrastructure

Effectively and efficiently manage the safe and secure operations of the plant while maintaining an NNSA enterprise-wide focus; demonstrate accountability for mission performance and management controls; assure mission commitments are met with high-quality products and services; and maintain excellence as a 21st century government-owned, contractor-operated facility.

Objectives:

- Objective-5.1** Deliver effective, efficient, and responsive environment, safety, health and quality (ESH&Q) management and processes.
- Objective-5.2** Accomplish capital projects in accordance with scope, cost, and schedule baselines.
- Objective-5.3** Deliver effective, efficient, and responsive safeguards and security and site emergency management programs in support of the DOE/NNSA Emergency Management Enterprise.
- Objective-5.4** Maintain, operate and modernize DOE/NNSA facilities, infrastructure, and equipment in an effective, energy efficient manner; including disposition of unneeded infrastructure and excess hazardous materials. Demonstrate progress to advance the Department of Energy's crosscut initiative to halt the growth of deferred maintenance and support arresting the declining state of infrastructure.
- Objective-5.5** Deliver efficient, effective, and responsible business operations, systems and financial management, including financial transparency; budget formulation and execution; and, internal controls.
- Objective-5.6** Deliver efficient and effective management of legal risk and incorporation of best legal practices.
- Objective-5.7** Deliver effective, efficient, and responsive information technology systems and cyber security.

KeyOutcome(s):

- KO-5.1** Execute funded scope in support of Tritium Responsive Infrastructure Modifications (TRIM) Program objectives.
- KO-5.2** Execute the SRTE Strategic Investment process to ensure sustainment of facility capabilities and staff competencies to meet long-term Enterprise mission requirements.
- KO-5.3** Continue implementation and maturation of the conduct of operations and maintenance programs in accordance with the SRTE Operational Excellence Plan (SRNS-RP-2009-01039, Latest Rev.).
- KO-5.4** Implement infrastructure management improvements such as MDI, BUILDER, and G2.
- KO-5.5** Provide support in the Department's effort to comply with milestones for the improvement of emergency preparedness and response core capabilities and demonstrate facility-specific actions to increase overall readiness and performance, as outlined in the Implementation Plan for DNFSB Recommendation 2014-1.

Goal-6: Leadership

Successfully demonstrate leadership in supporting the direction of the overall DOE/NNSA mission, improving safety culture, the responsiveness of SRNS leadership team to issues and opportunities for continuous improvement internally and across the Enterprise, and parent company involvement/commitment to the overall success of the plant and the Enterprise.

Objectives:

- Objective-6.1** Define and implement a realistic strategic vision for the plant, in alignment with the NNSA Strategic Vision, which demonstrates enterprise leadership and effective collaborations across the NNSA enterprise to ensure DOE/NNSA success.
- Objective-6.2** Demonstrate performance results through the institutional utilization of a Contractor Assurance System and promoting a culture of critical self-assessment, transparency, and accountability through the entire organization, while also leveraging parent company resources and expertise.
- Objective-6.3** Work selflessly within the DOE/NNSA complex to develop, integrate, and implement enterprise solutions that maximize program outputs at best value to the government; identify innovative business and management solutions that greatly improve enterprise-wide efficiencies.
- Objective-6.4** Exhibit professional excellence in performing roles/responsibilities while pursuing opportunities for continuous learning.

KeyOutcome(s):

- KO-6.1** Continue to establish a Performance Excellence Culture that enhances all aspects of SRTE operations. Performance Excellence must include both immediate and long-term actions that result in tangible improvements in the conduct of disciplined operations. An effective Performance Excellence Culture includes a mature Contractor Assurance System that links Performance Excellence and Performance Assurance to provide a more effective evaluation of performance and assurance of sustained performance improvements.
- KO-6.2** Demonstrate exceptional leadership in planning, integrating, and executing all site NNSA activities, through the implementation of best practices and lessons learned from across the NSE.