

Award Fee Evaluation Period 6 Determination Scorecard

Contractor: Mid-America Conversion Services, LLC.

Contract: DE-EM0004559

Award Fee Evaluation Period: Period 6 (October 1, 2021 - September 30, 2022)

Basis of Evaluation: Award Fee Plan for MCS

Categories of Performance: Subjective: \$2,334,256

PBI: \$6,125,768

Stretch: \$0

Award Fee Available: \$8,460,024

Award Fee Earned: \$7,853,117

Categories of Performance (Subjective)

Subjective Fee Available: \$2,334,256 available.

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|--|---|-----------|
| 1. Quality (20%): | ● | Good |
| 2. Schedule (20%): | ● | Good |
| 3. Cost Control (20%): | ● | Good |
| 4. Management (20%): | ● | Excellent |
| 5. Utilization of Small Business (5%): | ● | Excellent |
| 6. Regulatory Compliance (15%): | ● | Good |

The overall fee awarded based on these grades is: **\$1,727,349**

Quality: Trending data shows an overall reduction in corrective actions and condition reports open for more than six months and for more than 1 year. There were 496 Condition Reports (CRs) entered into the MCS Issues Management System (IMS) in FY22; 437 were initiated by MCS and 59 by DOE; a self-identification rate of 88%. 488 Condition reports were closed in FY22. This represents a very active and effective issues management system. The number of Conduct of Operations and maintenance issues remain low overall while restoring conversion operations at both sites during the review period. However, issues were identified by DOE in the area of Safety Software QA implementation and documentation being outdated and not fully compliant. Compensatory measures were immediately put into place and long term corrective actions to prevent recurrence are being developed for approval by DOE.

Schedule: MCS continues to perform well in submitting deliverables on-time or ahead of schedule. MCS has demonstrated efficient performance during the pandemic stop work to support return to plant operations and continued to progress on plant safety modifications. MCS continued to demonstrate efficient performance at planning, scheduling and execution of maintenance items and return to work plans during the pandemic shutdown. Specifically, the contractor has successfully restarted conversion operations at both the Portsmouth and Paducah facilities, commissioned bulk hydrogen system modification at both plants, completed the installation of the standalone air compressor at Paducah and turned the completed integrated control system upgrade over to the operations group at Portsmouth during the review period. MCS was unable to achieve forecasted cylinder processing metrics at Portsmouth and Paducah during the review period, however significant progress was made towards the processing of challenging cylinders at both sites.

Cost Control: Billings are accurate and timely. Vouchers continue to be submitted on-time in alignment with the established schedule. MCS has continued to pursue a variety of new cost savings rather than only continuing to benefit from initiatives from past years. The savings reported associated with initiatives in FY22 were significant at approximately \$3M. Final FY22 costs were ~\$4M less than budgeted despite considerable unanticipated challenges which arose surrounding the restart of the conversion facilities. The contractor is now reporting a positive variance of for the end of the contract, which is an improvement over prior review periods and indicative of positive performance in this area.

Management: The operations management team successfully and safely maintained the DUF6 Facilities in a shut down and cooled down condition in support of pandemic safety guidelines at the beginning of the review period and successfully transitioned both facilities back to operations without significant safety events or equipment misoperations. MCS has maintained a constant customer-focus in an effort to identify and resolve issues on a prioritized, responsive basis and communication at all levels. MCS continues to effectively manage work while adhering to a strong focus on safety. MCS has worked 2,157,607 hours since the last lost time injury. The TRC and DART rates for FY22 were 0.22, well below the project goals of 1.10 for TRC and 0.60 for DART rates.

Utilization of Small Business: Significantly exceeded all ambitious contracting goals for utilization of small business.

Regulatory Compliance: Cylinder inspections in the Cylinder Yards were completed ahead of the regulatory due dates. All regulatory required submittals (e.g., KPDES data and reports) have been on time. MCS made incremental improvements in their IT and cyber security capabilities during the review period, however this is an area that needs further improvement. Cyber security issues were identified by PPO in regards to the newly upgraded control system at Portsmouth, which required immediate action to address and issues were also identified by external organizations regarding MCS' management of cyber security controls during the review period.

Performance Based Incentives (PBI)

Performance Based Incentives: (70% of Total Fee)	Total Fee Available: \$20,157,519*				PEB Recommended Fee: \$6,125,767.50	
PBI	Total Fee Available	Fee Earned Last Rating Period	Fee Lost Last Rating Period	Fee Earned This Rating Period	Fee Lost This Rating Period	Fee Remaining
1.0 PBI-1 CTS/CER Processing	\$5,113,900.00	\$12,500.00	\$0.00	\$2,502,950.00	\$0.00	\$1,828,200.00
2.0 PBI-2 DUF6 Processing	\$3,499,751.00	\$356,250.00	\$0.00	\$1,272,817.50	\$0.00	\$416,245.50
3.0 PBI-3 Safety / Process Improvements	\$9,177,448.00	\$2,730,000.00	\$0.00	\$2,350,000.00	\$0.00	\$2,797,448.00
4.0 PBI-4 DUF4 Project	\$546,310.00	\$0.00	\$172,417.00	\$0.00	\$0.00	\$300,000.00
Undistributed Fee	\$1,820,110.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,820,110.00
	\$20,157,519.00	\$3,098,750.00	\$172,417.00	\$6,125,767.50	\$0.00	\$7,162,003.50

*There is \$291,168 for Pause, \$673,980 for DUF4 and \$854,962 for DUF6 in unallocated fee that will be distributed in a subsequent PEMP.

Performance Based Incentive Fee Earned: The overall fee awarded is based on completion of the PBI activities is: **\$6,125,768.**