


U.S. Department of Energy
National Nuclear Security Agency
Pantex Site Office



Fiscal Year 2012
Performance Evaluation Plan
for
Contract No. DE-AC54-00AL66620

Issued By:


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Date: 8/30/2011


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Date: 8/30/2011

Accepted By:


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Date: 8/30/2011

**Performance Evaluation Plan (PEP)
Pantex Plant**

Babcock & Wilcox Technical Services Pantex, LLC Contract No. DE-AC54-00AL66620
October 1, 2011 to September 30, 2012

- A. Pursuant to the terms and conditions of the Contract, this Performance Evaluation Plan (PEP) sets forth the criteria upon which the Contractor's performance of work under the contract will be evaluated and upon which the determination of the total available fee amount earned shall be based.
- B. The base PEP is composed of subjective (award fee) and objective (performance based) performance incentives. These incentives are categorized into three Performance Areas (PAs): Program, Operations, and Business/Institutional Management. The PEP also contains Multi-Site Performance Objectives.
- C. All performance incentives developed for Fiscal Year (FY) 2012 and covered in this PEP are linked to the National Nuclear Security Administration (NNSA) Strategic Plan and other key inputs that are aligned with the Planning, Programming, Budgeting, and Evaluation Process.
- D. The following matters, among others, are covered in the contract.

- 1. The Total Available Fee is allocated as follows:

PEP Essential Performance Objectives

The Essential Performance Objectives of the PEP are approximately 68 percent of the total available fee.

PEP Stretch Performance Objectives

The Stretch Performance Objectives of the PEP are approximately 22 percent of the total available fee.

PEP Multi-Site Performance Objectives

The Multi-Site Performance Objectives of the PEP are approximately 10 percent of the total available fee.

- 2. The total award fee earned and payable will be determined at the conclusion of the evaluation period by the Fee Determining Official (FDO) within 70 days after the end of the evaluation period.
- 3. Assessment of performance against the PEP will be reported in a Performance Evaluation Report (PER).

E. The FDO is the Administrator, NNSA or the Principal Assistant Deputy Administrator in the Administrator’s absence.

F. Award Fee determinations are unilateral decisions made solely at the discretion of NNSA.

G. Method for Determining Earned Fee:

In determining the fee earned it is inherently implied that the work was performed in a safe, secure, and quality manner and in accordance with the contract terms and conditions and all applicable laws, regulations, and DOE Orders.

1. Objective Performance Incentives:

The Contracting Officer will determine the amount of Performance Based Incentive (PBI) fee earned and authorize conversion of provisional fee to earned fee within 45 calendar days of receipt of a valid and complete Contractor PBI closure package.

2. Earning Award fee at risk for Essential and Stretch Work:

For each Performance Objective (PO) utilizing award fee, the performance rating and score will be derived by a three-step process.

Step 1: A numeric and adjective rating will be assigned to each PO and based on those ratings, an adjectival and numeric rating will be assigned to each PA. Adjective ratings will be consistent with the following rating scale:

Adjectival Rating for Subjective Evaluation	Numerical Rating	Adjectival Rating Common Definition
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 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 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 as defined and measured against the criteria in the award-fee plan for the award-fee evaluation period.
Satisfactory	1%-50%	Contractor has met overall cost, schedule, and technical performance requirements of the contract 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 as defined and measured against the criteria in the award-fee plan for the award-fee evaluation period.
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Step 2: The adjective and numeric ratings assigned to PAs may be adjusted upward (within the total available award fee) or downward based on observed performance in key aspects of day-to-day performance not specifically addressed by POs. While not intended to be all encompassing, performance reported as “Other Considerations” will reflect those key achievements and/or deficiencies, which are not covered by the PEP. The PER will identify Other Considerations, if any, and will reflect rationale for any such adjustments to the adjectival and numeric ratings assigned to the PA.

Step 3: Finally, the numeric ratings assigned to each PA will be multiplied by the PA weight to arrive at each PA's weighted score. Those scores will be summed to yield a total performance score measured against the PEP performance standards. The total performance score will also be the percent of recommended award fee earned, except for a rating of unsatisfactory, which will not warrant any award fee earned.

3. Gateway to Stretch Portion of the Fee Pool at Risk

Irrespective of performance in stretch, to be eligible to earn any stretch pool of fee at risk in a PA, the overall essential performance in a PA must be at least an adjectival rating of “Very Good” for subjectively evaluated work and 80% for objectively evaluated work. This helps to ensure that a high level of essential performance is given priority and not neglected.

4. Earning fee at risk for Multi-Site work:

The collective target must be met to earn the dollar fee amount associated with a particular multi-site target, otherwise no fee is earned and the dollars revert to program.

For multi-site performance targets NNSA will only grade the end product -- not the individual sites performance toward that product. So it is pass - fail based on the achievement of the collective end product rather than individual site contribution to the product. From a fee or contract perspective, there is no change to the sites.

The end product must be reached on time and within cost for the performance targets to be considered met. If those conditions are not met, then the performance target is not achieved and it is immaterial which specific sites may have failed or succeeded as an individual site -- they all get a pass or a fail on the multi-site target. The fee at a specific site is however allocated to the particular multi-site performance target.

5. FDO Award Fee Determination:

In the process of determining award fee, the FDO has the discretion to make adjustments to the recommended award fee provided that any upward adjustments are within the total available award fee. If the FDO elects to use this discretion and the fee determination varies either upward or downward from the Site Office's recommendation, the rationale for the change will be documented in the Site Office Manager's letter to the Contractor that transmits the final PER.

H. Definitions

Performance Objective. A statement of desired results for an organization or activity.

Performance Measure. A quantitative or qualitative method for characterizing performance.

Performance Target. The desired condition or target level of achievement for each measure, established at an appropriately detailed level that can be tracked and used for a judgment or decision on performance assessment. The following is an example of a Performance Objective, Measure and Target for a site:

Performance Objective: Provided effective management of facility space.

Performance Measure: Reduction of the site's facility footprint.

Performance Target: Reduce facility footprint by 10 percent.

Award Fee/Incentive Fee Amount. The amount of fee from the available fee pool that is distributed to the contractor based upon an evaluation of the contractor's performance. Award Fees are earned based on qualitative/subjective performance results. Incentive Fees are earned based on quantitative/objective performance results such as technical performance, schedule or cost.

Summary of Performance Areas/Fee Availability

Essential Performance Objectives/Incentives = 68% of Total Available Fee

Performance Area	Performance Objective Weight	Performance Incentive Weight	Total Allocation
Program	37%		37%
Operations	33%		33%
Business/Institutional Management	30%		30%
Total	100%		100%

Stretch Performance Objectives/Incentives = 22% of Total Available Fee

Performance Area	Performance Objective Weight	Performance Incentive Weight	Total Allocation
Program	63%	5%	68%
Operations	32%		32%
Business/ Institutional Management	0%		0%
Total	100%		100%

Multi-Site Performance Incentives = or 10% of Total Available Fee

Performance Area	Performance Objective Weight	Performance Incentive Weight	Total Allocation
Program	TBD		TBD
Operations	TBD		TBD
Business/ Institutional Management	TBD		TBD
Total	100%		100%

FY12 PEP Table of Contents

PROGRAM

P-1S	Fiscal Year 2012 Getting the Job Done
P-2	DSW Product Planning and Delivery
P-3S	W76-0 Dismantlement – Exceed Baseline
P-4S	B53 CSA
P-5	Weapons Quality Assurance and NQA-1 Programs
P-6	Production Integration
P-7	Comprehensive Core Surveillance Program (support of nuclear weapons certification)
P-8S	Component Disposition
P-9S	Component Disposition Stretch - W31 Legacy Weapon Trainers
P-10	Explosives Technology Program Management
P-11	Excess Explosive Material Disposition
P-12	Nuclear Materials Program Management
P-13S	MOX Feedstock
P-14S	Power Source Dismantlement Project (RTGs)
P-15	Special Nuclear Materials (SNM) Operations
P-16S	Improved Materials Management
P-17	Requirements Modernization and Integration (RMI) Project
P-18	Nuclear Safety Sustainment – Documented Safety Analysis
P-19	Nuclear Safety Sustainment - Safety Management Programs (SMP)
P-20S	Reimbursables/Work for Others (WFO) Program Management
P-21S	Pantex Plant Sustainability Process and Procedure Improvement
P-22	Operations Systems Development and Integration (OSD&I) Project
P-23S	Enhanced Explosive Site Plan

OPERATIONS

O-1	Project and Construction Management associated w/ all Line Item and FIRP Projects
O-2	Develop a Reinvestment Strategy for Infrastructure
O-2S	Pantex Maintenance Program Excellence

- O-3 21st Century Information Technology Infrastructure including Wireless Technology
- O-4S Develop Pantex Strategic Infrastructure Plan
- O-5S Develop and Enhance High Explosive Capabilities
- O-6 Multi-Site Project Performance & Execution
- O-7 Nuclear Facility Safety System Upgrade
- O-8S Enhance Energy Management and Energy Savings
- O-9 Contractor Assurance Program (CAS)
- O-10 Comprehensive Emergency Management System (to include NIRP, COOP, and enhanced Emergency Operations & Response)
- O-11 Environmental Protection Program (to include Permits and LTS)
- O-12 Nuclear Incident Response Program (NIRP)
- O-13 Implementation of HRO at the Pantex Plant
- O-14S Transition Building 12-37 SCIF to “Special Projects” Facility
- O-15S WFO/IWFO Activity Facilities
- S&S-1S Defense Nuclear Security (DNS) Management Excellence
- S&S-2S Implement Operational Efficiencies
- S&S-3 Effective S&S Programs in all Functional Areas
- S&S-4 Implement an effective S&S CAS
- S&S-5 Protective Force Revitalization in accordance with Tactical Response Force (TRF) requirements
- S&S-6 Cyber Security

BUSINESS MANAGEMENT

- B-1 FY 2012 Business Systems Oversight Plan (BSOP)
- B-2 General Management of the Pantex Plant

MULTI-SITE

TBD

PERFORMANCE AREA:
PROGRAM

Incentive #	P-1S	PROGRAM STRETCH	Due Date	09/30/12
Incentive Type	PO		Value	\$3,100,000
Performance Incentive Title	Successful Accomplishment of the Fiscal Year 2012 "Getting the Job Done" List Done (Pantex Anchor)			
Performance Measures (Description)	Completion of activities required to support the NNSA FY2012 Getting the Job Done List.			
Performance Target(s) (PT) (Specific Requirement(s))	<ol style="list-style-type: none"> 1. Complete all limited life component exchanges consistent with the annual assessment to keep operational deployment systems functional. 2. Execute surveillance activities required to support annual assessment and certification. 3. Exceed planned dismantlements to include B53. 4. Meet W76-1 deliveries to Navy. 			
Required Documentation to Satisfy PT (If Any)	Appropriate documentation for completion of targets.			

Incentive #	P-2	PROGRAM ESSENTIAL	Due Date	09/30/12
Incentive Type	PO		Value	\$6,700,000
Performance Incentive Title	DSW Product Planning and Delivery			
Performance Measures (Description)	<p>Completion of FY2012 DSW Program Deliverables supported by NNSA Contracting Authority and approved Program Control Documents.</p> <p>Completion of Level 2 Milestones identified in the Multi-year Site Objectives (MYSOs) as critical success factors for planned FY2012 and beyond milestones and deliverables,</p>			
Performance Target(s) (PT) (Specific Requirement(s))	<ol style="list-style-type: none"> 1. Directive Schedule Achieve FY2012 DSW Directive Schedule quantities (excluding work evaluated elsewhere in the PEP). 2. Level 2 Milestones Complete FY2012 DSW Level 2 Milestones as defined in the Milestone Reporting Tool (MRT) database. 3. W76-0 Complete FY2012 PCD scheduled W76-0 Dismantlement quantities. 4. B83 <ol style="list-style-type: none"> a. Complete the B83 Tooling Upgrade project milestones in accordance with the approved Project Execution Plan. b. Complete B83 surveillance workload in accordance with the approved schedule. 5. W84 Authorize the KS process 6. W87 Complete W87 Neutron Generator Exchange readiness activities to support the work in accordance with the PCD. 			
Required Documentation to Satisfy PT (If Any)	Documentation consistent with the Exit Criteria as defined in the Stockpile Management Implementation Plan and MRT database.			

Incentive #	P-3S	PROGRAM STRETCH	Due Date	09/30/12
Incentive Type	PO		Value	\$400,000
Performance Incentive Title	W76-0 Dismantlement – Exceed Baseline			
Performance Measures (Description)	W76-0 Dismantlements exceeded PCD scheduled quantities.			
Performance Target(s) (PT) (Specific Requirement(s))	Exceed FY2012 PCD scheduled W76-0 Dismantlement quantities.			
Required Documentation to Satisfy PT (If Any)	Metrics documenting completed W76-0 Dismantlement quantities.			

Incentive #	P-4S	PROGRAM STRETCH	Due Date	09/30/12
Incentive Type	PO		Value	\$300,000
Performance Incentive Title	B53 CSA			
Performance Measures (Description)	B53 CSAs are extracted and shipped in accordance with FY2012 schedule.			
Performance Target(s) (PT) (Specific Requirement(s))	Extract and ship B53 CSAs in accordance with the FY2012 secondary shipment directive schedule.			
Required Documentation to Satisfy PT (If Any)	Documentation of B53 CSA shipments.			

Incentive #	P-5	PROGRAM ESSENTIAL	Due Date	09/30/12
Incentive Type	PO		Value	\$750,000
Performance Incentive Title	Weapons Quality Assurance and NQA-1 Programs			
Performance Measures (Description)	Maintenance of robust Weapons Quality Assurance and NQA-1 Programs that provide assurance that delivered products meet quality requirements and incorporates the principles of continuous improvement.			
Performance Target(s) (PT) (Specific Requirement(s))	<ol style="list-style-type: none"> 1. WQA <ol style="list-style-type: none"> a. Maintain a rigorous B&W Pantex Certificate of Inspection (C of I) program, including hold point inspections and product acceptance stamping that confirms delivered products meet NNSA quality requirements and incorporate the principles of continuous improvement. b. Perform Product Quality Engineering design agency definition flow down reviews for B&W Pantex weapon and weapon related products. c. Conduct an independent review of the corrective actions associated with the Dissipative Special Tooling Causal Factors Analysis (CFA) and Building 12-121 Machining Event August 28, 2009 CFA, to evaluate the actions appropriately completed and effective in resolving the issues. d. Conduct an independent review of the corrective actions associated with the SNM Conduct of Operations (CoO) Improvement Project to evaluate the actions appropriately completed and effective in resolving the issues. e. Conduct a comprehensive review of the hold point inspection process including review of the hold point selection criteria, the hold point identification process and the proper placement of the Quality Hold Points in all active Weapon assembly programs, including JTAs. In addition, B&W will evaluate PXSO Engineering Signatures requirements to determine if quality hold point criteria should apply. The criteria for the review will be agreed upon by PXSO prior to commencement. 2. Supplier QA: <ol style="list-style-type: none"> a. Provide a workshop on NQA-1 and it's applicability at Pantex to construction contractors. b. Enhance the Site's Commercial Grade Dedication (CGD) Program in accordance with NQA-1 Requirement #7. 3. Product Stamping and Marking: <p>Demonstrate that B&W Pantex has a sufficient number of trained and qualified individuals to verify product and apply NNSA acceptance status stamps to support weapon life extension program production schedules.</p> 			
Required Documentation to Satisfy PT (If Any)	<ol style="list-style-type: none"> 1. WQA <ol style="list-style-type: none"> a. Submit monthly B&W Pantex Product Submittal Worksheet b. Design Agency definition flow down review minutes c. Assessment Report on Dissipative Special Tooling CFA-1st quarter and Assessment Report on Building 12-121 Machining Event of August 28, 2009 CFA-2nd quarter—including plans for addressing issues d. Assessment Report on SNM CoO-3rd quarter--including plans for addressing issues e. Report of the comprehensive review of the hold point inspection process. 			

Incentive #	P-5	PROGRAM ESSENTIAL	Due Date	09/30/12
Incentive Type	PO		Value	\$750,000
	<ul style="list-style-type: none"> 2. Supplier Quality <ul style="list-style-type: none"> a. Copy of workshop POI, related material, class roster and feedback from subcontractors. (Attendance at workshop should be requirement to do related work.) b. Assessment Report on Commercial Grade Dedication Program evaluation, including plans for addressing issues. 3. Product Stamping and Marking <ul style="list-style-type: none"> a. Evaluation Report on staff currently supporting product verification, including minimum time to retirement b. Contingency plans for ensuring adequate trained staff. 			

Incentive #	P-6	PROGRAM ESSENTIAL	Due Date	09/30/12
Incentive Type	PO		Value	\$200,000
Performance Incentive Title	Production Integration			
Performance Measures (Description)	Demonstrated progress of Pantex as the NSE production integrator.			
Performance Target(s) (PT) (Specific Requirement(s))	<ol style="list-style-type: none"> 1. Integrate the Y12 Canned Subassembly (CSA) schedule, the LANL Pit production schedule, the SRS reservoir schedule and KCP major component schedule with the Pantex Production schedule. 2. Demonstrate the ability to report status of the Y12 Canned Subassembly (CSA) schedule, the LANL Pit production schedule, the SRS reservoir schedule and the KCP major component schedule at the Integrated Plan of the Day. 3. Collaborate with Y-12 through the Manufacturing Software Systems team to ensure an interface capability exists for sharing production information following the implementation of OSD&I and the Y-12 Momentum projects. 			
Required Documentation to Satisfy PT (If Any)	<ol style="list-style-type: none"> 1. Appropriate documentation demonstrating integration with the Pantex Production Schedule 2. Updated Integrated Plan of the Day. 3. Appropriate documentation demonstrating integration with MSS. 			

Incentive #	P-7	PROGRAM ESSENTIAL	Due Date	09/30/12
Incentive Type	PO		Value	\$200,000
Performance Incentive Title	Comprehensive Core Surveillance Program in support of nuclear weapons certification			
Performance Measures (Description)	Core Surveillance Program in support of nuclear weapons certification			
Performance Target(s) (PT) (Specific Requirement(s))	<ol style="list-style-type: none"> 1. Complete FY2012 surveillance activities in accordance with the Directive Schedule. 2. Report FY2012 surveillance activities to QERTS. 3. Support the Surveillance Program Office (SPO) in areas requiring Pantex participation. 			
Required Documentation to Satisfy PT (If Any)	Evidence of completion for each activity identified in approved IWET plans or deviations as approved by the Federal Program Manager.			

Incentive #	P-8S	PROGRAM STRETCH	Due Date	09/30/12
Incentive Type	PO		Value	\$450,000
Performance Incentive Title	Component Disposition			
Performance Measures (Description)	Reduction in storage of surplus weapon components, assuring adequate storage capacity in service magazines and warehouses to support weapon production requirements.			
Performance Target(s) (PT) (Specific Requirement(s))	<ol style="list-style-type: none"> 1. Update the Component Disposition Plan for FY13 activities to include long-range (5-7 years) strategies and schedules for total elimination of legacy components. <ol style="list-style-type: none"> a. Develop schedule for sanitization of remaining legacy energetic components b. Evaluate commercial options for sanitization of energetic components. c. Develop strategies for sanitization of remaining legacy non-energetic components 2. Reduce storage of scrap energetic components to assure adequate service magazine capacity is maintained. <ol style="list-style-type: none"> a. Establish baseline of scrap energetic components in buildings 12-58, 12-71 and 12-95 and reduce volume by 20%. b. Sanitize/dispose of 500 scrap hemis, recovering storage capacity in buildings 12-65 and 12-83. c. Sanitize 500 spin rocket motors. 3. Reduce storage of scrap non-energetic components to assure adequate warehouse capacity is maintained. <ol style="list-style-type: none"> a. Disposition, via sanitization or shipment, 50 "PSO boxes" (box, basket, pallet) of weapon components generated from dismantlement operations or excess inventory. b. Characterize legacy components per the schedule developed in FY2011. c. Complete Be sanitization melts in the microwave furnace per the schedule developed in FY2011. 			
Required Documentation to Satisfy PT (If Any)	<ol style="list-style-type: none"> 1. Updated FY13 Component Disposition Plan by 9/30/12. 2. Appropriate documentation for reduction of scrap energetic components. 3. Appropriate documentation for reduction of scrap non-energetic components. 			

Incentive #	P-9S	PROGRAM STRETCH	Due Date	09/30/12
Incentive Type	PBI		Value	\$350,000
Performance Incentive Title	Component Disposition Stretch - W31 Legacy Weapon Trainers			
Performance Measures (Description)	Dismantlement and Disposition of W31 Legacy Weapons Trainer Components.			
Performance Target(s) (PT) (Specific Requirement(s))	<ol style="list-style-type: none"> 1. Receive and accept at least 14 W31 Legacy Weapon Trainers Units from Y-12. Earn 30% of allocated fee. 2. Complete dismantlement of at least 14 W31 trainer units received from Y12. Characterize all components that will be yielded from the units. Disposition as many components as feasible, considering the cost effectiveness of sanitizing and shipping. Document the rationale for any components not dispositioned. Earn 5% of allocated fee for each unit dismantled and dispositioned, up to 14 units. No additional fee is earned for more than 14 dispositioned dismantlements. 			
Required Documentation to Satisfy PT (If Any)	Appropriate documentation of W31 Weapon Trainer dismantlement / disposition completion as well as rationale / justification for those components not dispositioned.			

Incentive #	P-10	PROGRAM ESSENTIAL	Due Date	09/30/12
Incentive Type	PO		Value	\$600,000
Performance Incentive Title	Explosives Technology Program Management			
Performance Measures (Description)	Effective management of Explosive Technology Programs and continued progress toward High Explosives Center of Excellence goals.			
Performance Target(s) (PT) (Specific Requirement(s))	<ol style="list-style-type: none"> 1. Complete FY2012 milestones in the High Explosives Center of Excellence (HE CoE) Business Strategy, per the approved execution plan. 2. Develop a plan for extending the multiple HE pressing tool from “proof of concept” to implementation, and complete FY2012 milestones in the plan. 3. Develop a plan to improve the 35-account program to improve quality and reliability of product to the production line, and complete FY2012 milestones in the plan. 4. Continuous improvement of explosive operations utilizing Plant resources and processes (e.g., safety culture survey results, SS-21 like process improvements, procedure enhancements). 			
Required Documentation to Satisfy PT (If Any)	The performance status of each Performance Target will be provided at the monthly PEP meeting. Appropriate documentation verifying performance and/or completion of each Performance Target will be addressed in the Contractor’s Performance Self-Assessment Report.			

Incentive #	P-11	PROGRAM ESSENTIAL	Due Date	09/30/12
Incentive Type	PO		Value	\$300,000
Performance Incentive Title	Excess Explosive Material Disposition			
Performance Measures (Description)	Development, management, and execution of a plan for disposition of excess explosive materials.			
Performance Target(s) (PT) (Specific Requirement(s))	<ol style="list-style-type: none"> 1. Establish a baseline of excess explosive powders and residue in inventory. 2. Develop a multi-year Program Plan for disposition of excess high explosives materials. 3. Complete FY2012 Milestones identified in the Plan. 			
Required Documentation to Satisfy PT (If Any)	<ol style="list-style-type: none"> 1. Documented baseline of excess explosives material in inventory. 2. Multi-year Program Plan. 3. Appropriate documentation for completion of FY2012 Milestones. 			

Incentive #	P-12	PROGRAM ESSENTIAL	Due Date	09/30/12
Incentive Type	PO		Value	\$350,000
Performance Incentive Title	Nuclear Materials Program Management			
Performance Measures (Description)	Effective management of Nuclear Material Programs and successful completion of FY2012 milestones.			
Performance Target(s) (PT) (Specific Requirement(s))	<ol style="list-style-type: none"> 1. Enhanced Pit Storage Develop and implement facility enhancements, including nuclear safety documentation, that support an increase in Pantex's ability to store pits in additional nuclear material capable facilities. 2. Material Staging Facility Provide technical support in developing and finalizing business strategies for Zone 4 closures. 3. Nuclear Material Programs Communication Enhancement Develop a Communications Management Plan and implement an information management system, such as SharePoint, that documents conversations between contractor and federal organizations program and project managers that is related to all nuclear materials management work. The information management system should be accessible to both PXSO and the contractor. Conversations between federal and contractor personnel will be documented in a clear, concise and timely manner. 			
Required Documentation to Satisfy PT (If Any)	Documentation appropriate for each performance target. Provide PXSO with timely updates in scope, schedule and cost changes exceeding 10% including updates when Change Control Requests are submitted to PXSO.			

Incentive #	P-13S	PROGRAM STRETCH	Due Date	09/30/12
Incentive Type	PO		Value	\$200,000
Performance Incentive Title	MOX feedstock			
Performance Measures (Description)	Generation of MOX feedstock, for use in disassembly & conversion processing in preparation for MOX fuel fabrication.			
Performance Target(s) (PT) (Specific Requirement(s))	Provide pits to LANL per the document "Pit Campaign attachment to PMT-4-2007-154."			
Required Documentation to Satisfy PT (If Any)	Documentation of pits shipped to LANL.			

Incentive #	P-14S	PROGRAM STRETCH	Due Date	09/30/12
Incentive Type	PO		Value	\$200,000
Performance Incentive Title	Power Source Dismantlement Project (RTGs)			
Performance Measures (Description)	Power Sources provided to LANL to support Plutonium Sustainment			
Performance Target(s) (PT) (Specific Requirement(s))	Ship containers of power sources to LANL per the approved plan.			
Required Documentation to Satisfy PT (If Any)	Documentation verifying shipment of RTGs to LANL.			

Incentive #	P-15	PROGRAM ESSENTIAL	Due Date	09/30/12
Incentive Type	PO		Value	\$500,000
Performance Incentive Title	Special Nuclear Materials (SNM) Operations			
Performance Measures (Description)	Development and implementation of integrated management systems that results in safe, secure, and effective management of SNM operations.			
Performance Target(s) (PT) (Specific Requirement(s))	<ol style="list-style-type: none"> 1. Nuclear Materials Operations Work Culture Develop and implement technical, business and work place culture initiatives that will result in an improvement of formality of SNM operations without any degradation in safety, security, and quality assurance systems. 2. Production Performance Complete FY2012 baseline scheduled deliverables. 3. Technology Refresh Planning Update the FY 2011 SNM Technology Refresh Plan. 4. LGSS Unit 2 Startup Develop a project plan and schedule for pit surveillance using LGSS #2 and complete FY12 milestones in the plan. 			
Required Documentation to Satisfy PT (If Any)	<ol style="list-style-type: none"> 1. Documentation appropriate for each performance target. 2. Documentation appropriate for each performance target. 3. Documentation appropriate for each performance target. 4. Project plan & provide appropriate documentation for LGSS #2 equipment qualification 			

Incentive #	P-16S	PROGRAM STRETCH	Due Date	09/30/12
Incentive Type	PO		Value	\$500,000
Performance Incentive Title	Improved Materials Management			
Performance Measures (Description)	Implementation of improvements for management of weapon production materials.			
Performance Target(s) (PT) (Specific Requirement(s))	<ol style="list-style-type: none"> 1. Implement improved processes and controls that reduce the number of packaging, labeling and transportation errors, with emphasis on external escapes for Category 1-4 material. 2. Implement improvements in inventory control, including timely reconciliation of differences between the physical count and the asset record balance. 3. Provide monthly reports/presentations of current status and improvements related to materials management including inventory sampling/accuracy, packaging, labeling, transport, and offsite shipment of materials. 4. Complete FY2012 corrective actions associated with the JONS from the CFA of the FY2011 Transportation injury, including quarterly updates of corrective actions and effectiveness reviews. 5. Improve Plant processes and information technology infrastructure that results in enhanced quality of on-site movements of materials. 			
Required Documentation to Satisfy PT (If Any)	The performance status of each Performance Target will be provided at the monthly PEP meeting. Appropriate documentation verifying performance and/or completion of each Performance Target will be addressed in the Contractor's Performance Self-Assessment Report.			

Incentive #	P-17	PROGRAM ESSENTIAL	Due Date	09/30/12
Incentive Type	PO		Value	\$200,000
Performance Incentive Title	Requirements Modernization and Integration (RMI) Project			
Performance Measures (Description)	Execution of the RMI project to transform legacy content to RMI content according to the RMI Project Execution Plan.			
Performance Target(s) (PT) (Specific Requirement(s))	<ol style="list-style-type: none"> 1. Provide resources to complete FY2012 High Priority work in accordance with the Lead and Sub-Team detailed schedules as resources become available. 2. Conduct RMI Gate Reviews on a monthly basis to ensure successful completion of FY2011 and FY2012 priority work as identified by the Lead and Sub-Teams. 			
Required Documentation to Satisfy PT (If Any)	<ol style="list-style-type: none"> 1. Appropriate documentation verifying resources assigned to RMI priority activities. 2. Completed Gate Reviews. 			

Incentive #	P-18	PROGRAM ESSENTIAL	Due Date	09/30/12
Incentive Type	PO		Value	\$300,000
Performance Incentive Title	Nuclear Safety Sustainment – Documented Safety Analysis			
Performance Measures (Description)	<ol style="list-style-type: none"> 1. Implementation of safety basis metrics and performance leading indicators representative of an HRO in support of Governance Transformation. 2. Meeting the approved DSA Upgrade Initiative Project Plan scheduled submittal of final change packages for Quality DSAs. 3. Maintenance and enhancement of the AB program to support accomplishment of Pantex Core Nuclear Missions. 			
Performance Target(s) (PT) (Specific Requirement(s))	<ol style="list-style-type: none"> 1. Safety basis metrics and performance leading indicators <ol style="list-style-type: none"> a. Develop metrics & performance leading indicators by 01/15/12. b. Implement the process for evaluating and analyze results from Metrics and Indicators by 3/15/12. c. Extent to which Metrics and Performance Indicators are effectively managed to improve nuclear safety and quality. 2. DSA <ol style="list-style-type: none"> a. Extent that final change package submittal due dates are met in accordance with the DSA Upgrade Initiative Schedule. b. Extent that DSAUGI packages are approvable on first review cycle. c. Extent that DSAUGI packages are implemented within 60 days of approval. 3. AB <ol style="list-style-type: none"> a. Submit AB workload plan 10/31/11. b. Extent that DSA Planned Improvements are completed. c. Extent to which the identified TRCs in DSA document reviews are resolved within 90 days. d. Establish Probabilistic Risk Assessment capability. 			
Required Documentation to Satisfy PT (If Any)	<ol style="list-style-type: none"> 1. <ol style="list-style-type: none"> a. Transmittal of the Metrics and Performance Indicators to PXSO by 1/15/12. b. Provide PXSO a status report on the process for evaluating and analyzing the results by 2/28/12. c. Monthly status reports summarizing improvements beginning 3/15/12. 2. Monthly status documenting submittal date, issues requiring work for approval, approval date, date of completed implementation. 3. <ol style="list-style-type: none"> a. FY12 AB Work Plan transmitted to PXSO for information. b. Monthly status on completion of Planned Improvements. c. Monthly status of open COAs/TRCs. d. Incorporate into the DSA an event tree supported by fault tree analysis for a single event. 			

Incentive #	P-19	PROGRAM ESSENTIAL	Due Date	09/30/12
Incentive Type	PO		Value	\$100,000
Performance Incentive Title	Nuclear Safety Sustainment - Safety Management Programs (SMP)			
Performance Measures (Description)	Implementation of metrics and performance leading indicators for Special Tooling, Electrical Testers, and ESD Safety Management Programs (SMP).			
Performance Target(s) (PT) (Specific Requirement(s))	<ol style="list-style-type: none"> 1. Implement Metrics and Performance Indicators to enhance Safety Management Program processes and documentation. 2. Extent that modifications and changes are initiated to ensure a positive trend in the Metrics and Performance Indicators. 			
Required Documentation to Satisfy PT (If Any)	<ol style="list-style-type: none"> 1. Metrics and Performance indicators established by 01/15/12. 2. Beginning March 15, 2012 provide monthly status reports of the Metrics and Performance Improvements to document changing trends and process improvement. 			

Incentive #	P-20S	PROGRAM STRETCH	Due Date	09/30/12
Incentive Type	PO		Value	\$100,000
Performance Incentive Title	Reimbursables/Work for Others (WFO) Program Management			
Performance Measures (Description)	Management of the Reimbursables/WFO Program and completion of initiatives in NNSA Contracting Authority approved contracts.			
Performance Target(s) (PT) (Specific Requirement(s))	<ol style="list-style-type: none"> 1. Complete High Explosive (HE) Integrated Contractor Orders (ICO) for the National Laboratories as funded and scheduled. 2. Complete Work for Other (WFO) initiatives as funded and scheduled. 3. Demonstrate growth of the Pantex WFO Program, continuing to share Pantex's experience, knowledge and capabilities in functional areas beyond HE manufacturing activities. 4. Demonstrate improvements/efficiencies related to management of the Reimbursables Program. 5. Create a Work for Others business plan that includes: a description of the business and its elements (e.g., HE formulation/fabrication/testing, materials testing, analytical chemistry services, etc); establishing the goals of the program; marketing strategy; operating strategy, etc. by 12/31/11. Create an action plan to implement the business plan objectives that includes tasks and completion dates by 3/31/12. Complete implementation of the action plan by 6/30/12. 			
Required Documentation to Satisfy PT (If Any)	Appropriate documentation for verification of each performance target.			

Incentive #	P-21S	PROGRAM STRETCH	Due Date	09/30/12
Incentive Type	PO		Value	\$300,000
Performance Incentive Title	Pantex Plant Sustainability Process and Procedure Improvement			
Performance Measures (Description)	Implement an independent verification process in accordance with the expectations described in letter Erhart/Woolery, <i>Independent Verification and Technical Procedures</i> , dated June 23, 2011.			
Performance Target(s) (PT) (Specific Requirement(s))	<ol style="list-style-type: none"> 1. Complete implementation of the Independent Verification Program by 9/30/12. (The plan defining the Independent Verification Program will be provided to PXSO by 10/17/11 per letter discussed above in the measure for this PO). 2. Provide an assessment plan for evaluation of the Independent Verification Program to PXSO by 9/30/12. The assessment plan must include an evaluation of the implementation of the program for nuclear explosive and nuclear material operations including the applicable aspects of nuclear material and weapon component packaging, transportation and shipping as well as a sampling of other activities where independent verification has been applied. The Plan must be approved by PXSO prior to initiating assessment activities. 			
Required Documentation to Satisfy PT (If Any)	Appropriate documentation for completion of targets.			

Incentive #	P-22	PROGRAM ESSENTIAL	Due Date	09/30/12
Incentive Type	PO		Value	\$500,000
Performance Incentive Title	Operations Systems Development and Integration (OSD&I) Project			
Performance Measures (Description)	Management and Execution of OSD&I Project			
Performance Target(s) (PT (Specific Requirements))	<ol style="list-style-type: none"> 1. Modify and submit the OSD&I Project Execution Plan with language that reflects the proposed execution process and effectively manage in accordance with the NNSA approved plan. 2. Effectively manage NNSA Acquisition Executive approved Performance Management Baseline (Scope, Schedule, Cost and Risks). 			
Required Documentation to Satisfy PT (If Any)	<ol style="list-style-type: none"> 1. Provide the OSDI revised Project Plan to NNSA. 2. Appropriate documentation demonstrating completion of project milestones achieved. 			

Incentive #	P-23S	PROGRAM STRETCH	Due Date	09/30/12
Incentive Type	PO		Value	\$400,000
Performance Incentive Title	Enhanced Explosive Site Plan			
Performance Measures (Description)	Revise the Pantex Plant Explosives Safety Site Plan format to improve alignment with other Pantex documented safety and health plans.			
Performance Target(s) (PT) (Specific Requirement(s))	<ol style="list-style-type: none"> 1. Establish formal document configuration control for the Pantex Plant Explosives Safety Site Plan by 12/31/11. 2. Develop Site Plan criteria and requirements for the Safety Analyses of explosives facilities and operations to be included in future site plans by 3/31/12. 3. Establish the format and content of the Pantex Plant Explosives Safety Site Plan that includes but not limited to: supporting information; Introduction; Revision History; Signature Authority; and applicable Safety Analysis for facility siting. 			
Required Documentation to Satisfy PT (If Any)	Appropriate documentation for verification of each performance target.			

PERFORMANCE AREA:
OPERATIONS

Incentive #	O-1	OPERATIONS ESSENTIAL	Due Date	09/30/12
Incentive Type	PO		Value	\$600,000
Performance Incentive Title	Project and Construction Management			
Performance Measures (Description)	<p>1. <u>Project Planning</u></p> <p>a. Alternative analyses are based on core functional and operating requirements and a full variety of innovative alternatives are developed.</p> <p>b. Acquisition planning includes evaluating needs/requirements and trade-offs and performing market research, such as evaluating the types and availability of required items.</p> <p>c. Selection of subcontract types for line-item projects must minimize DOE costs and risks while supporting project performance. High risk type subcontracts (cost reimbursement or Time-&-Materials) are least preferred.</p> <p>d. RFPs and subcontracts are well written, support full and open competition, and minimization costs and risks. Contract adjustment factors, such as those for Economic Price Adjustments clauses, are effectively utilized to address uncertainty and manage risks.</p> <p>e. Projects utilize, as appropriate, Project Definition Rating Index, and Technology Readiness Assessment and Maturation Plans.</p> <p>f. Ensure effective integration of safety and security into the design and construction of all nuclear line item projects in accordance with DOE-STD-1189. Quality and timely safety basis documents are provided for nuclear line item projects.</p> <p>2. <u>Project Execution and Performance</u></p> <p>a. Projects are fully compliant with DOE Order 413.3B and its principles. Projects activities and resources are effectively planned, integrated and managed to ensure the performance baseline is maintained.</p> <p>b. Projects are managed within established cost and schedule baselines. Cost and Schedule Performance Indexes are at or above 0.90.</p> <p>c. Ninety percent of completed projects are within 10% of their original approved baselines, unless otherwise impacted by a directed change.</p> <p>d. Projected annual Estimates-at-Completion (EAC) are within the established Total Project Cost (TPC) baselines.</p> <p>e. Project issues are resolved in a diligent and responsive manner. Corrective actions are resolved according to agreed scheduled.</p> <p>f. One hundred percent of all projects completed are within 10% of their original approved baselines. (STRETCH)</p>			
Performance Target(s) (PT) (Specific Requirement(s))	<p>1. <u>Project Planning</u></p> <p>a. Provide support to PXSO for Approval of Mission Need documents and CD-0s.</p> <p>b. Develop Mission Need documents for the MSF project and submit to PXSO six</p>			

Incentive #	O-1	OPERATIONS	Due Date	09/30/12
Incentive Type	PO	ESSENTIAL	Value	\$600,000
	<p>months after receipt of authorization to proceed from HQ.</p> <p>2. <u>Project Execution and Performance</u></p> <p>a. High Pressure Fire Loop – Maintain and report (PARSII) EVMS data.</p> <p>b. Continue to support PREP documentation and future construction coordination.</p> <p>c. Minimize FIRP carryover by costing 87% of Operating dollars and 50% of Capital dollars by end of the fiscal year. Costing targets to exclude the baseline amount(s) of those projects executed as Federal Small Business and FIRP LI funding carryover that are outside the control of B&W Pantex.</p> <p>d. High Explosive Pressing Fac. –</p> <ol style="list-style-type: none"> 1. Report EVMS (PARSII) data with input from the USACE. 2. Provide support to PXSO/USACE as required by the established Project Execution Plan or upon request by PXSO: <ul style="list-style-type: none"> • Attend project status meetings. • Ensure A&E provides timely input on construction questions. 			
Required Documentation to Satisfy PT (If Any)	<p><u>Project Planning</u></p> <ol style="list-style-type: none"> 1. Submittal of MN and PRD documents to PXSO as prescribed in DOE O 413. <p><u>Project Execution and Performance</u></p> <ol style="list-style-type: none"> 1. Monthly PARSII Input/data & FIRP reports/spend plan. 2. PREP Reviews & coordination meetings. 			

Incentive #	O-2	OPERATIONS ESSENTIAL	Due Date	09/30/12
Incentive Type	PO		Value	\$250,000
Performance Incentive Title	Develop a Reinvestment Strategy for Infrastructure			
Performance Measures (Description)	Develop the framework for an infrastructure reinvestment strategy to ensure the Plant's structures, systems, and components (SSCs) are properly maintained.			
Performance Target(s) (PT) (Specific Requirement(s))	<ol style="list-style-type: none"> 1. Develop and document a methodology to define importance levels for all Plant SSCs. Importance levels will be developed based on impacts to safety, security, quality, and reliability to meet the Plant's production goals. 2. Develop the infrastructure reinvestment plan framework for Pantex SSCs by applying the methodology developed in number 1 along with industry life cycle replacement standards. 3. Maintain existing infrastructure per agreed upon metrics established in the bi-monthly maintenance performance report (backlog, safety backlog, & fire protection). 			
Required Documentation to Satisfy PT (If Any)	<ol style="list-style-type: none"> 1. Concurrence between PXS0 and B&W Pantex on the established methodology of defining the SSC importance levels. 2. Submission of the infrastructure reinvestment strategy plan framework. 3. Submission of the bimonthly maintenance performance reports to PXS0. 			

Incentive #	O-2S	OPERATIONS STRETCH	Due Date	09/30/12
Incentive Type	PO		Value	\$350,000
Performance Incentive Title	Pantex Maintenance Program Excellence			
Performance Measures (Description)	Evaluate the program requirements to apply for and achieve the North American Maintenance Excellence (NAME) Award for the Pantex Plant.			
Performance Target(s) (PT) (Specific Requirement(s))	<ol style="list-style-type: none"> 1. Conduct a gap analysis of the Pantex Maintenance program against the criteria outlined in the NAME Award Application using the 2011 award criteria. 2. Develop an execution plan to address any necessary program enhancements identified in the gap analysis in order to meet the NAME criteria. 3. Develop a draft NAME application 			
Required Documentation to Satisfy PT (If Any)	<ol style="list-style-type: none"> 1. Completed gap analysis by 02/01/12 2. Execution plan for maintenance program enhancements by 04/01/12 3. Draft NAME application by 06/01/12 			

Incentive #	O-3	OPERATIONS ESSENTIAL	Due Date	09/30/12
Incentive Type	PO		Value	\$450,000
Performance Incentive Title	21 st Century Information Technology Infrastructure including Wireless Technology			
Performance Measures (Description)	<p>Execute initiatives to renew and modernize the Plant's Information Technology (IT) Infrastructure according to project plans established through the CIO Project Prioritization process.</p> <ol style="list-style-type: none"> 1. Extend the Plant's wireless communications infrastructure. 2. Deploy wireless/mobile technologies to enable plant operations. 3. Enhance teleworker capabilities for eligible Plant employees. 4. Reduce the IT Infrastructure footprint. 			
Performance Target(s) (PT) (Specific Requirement(s))	<ol style="list-style-type: none"> 1. Implement indoor Wi-Fi access for 10 buildings within the PPA, providing access to unclassified network resources. 2. Gain approval for and implement indoor Wi-Fi access for 5 buildings within the LA, providing access to unclassified network resources. 3. Establish the mobile capabilities for ESMS Shipping/Receiving operations in building 16-19. 4. Upgrade the VPN infrastructure located in the Data Center to support teleworker needs with broader clients and capabilities. 5. Deliver Unified Communications & Collaboration (UCC) capabilities to the unclassified enterprise network by implementing Microsoft Lync services, to include Instant Messaging, Presence, and Desktop Sharing and to evaluate Voicemail Integration options. 6. Migrate data from the IBM ESS (2105-F20) storage systems and retire the units. 7. Excess 75% of the IBM xSeries servers in the 12-37 Data Center. 8. Upgrade or eliminate 50% of the 12-37 Data Center servers that utilize legacy operating systems, such as Windows 2000 and Windows 2003. 9. Replace 50% of the End-of-Life Cisco switches on PUCNET and PACMAN 			
Required Documentation to	<ol style="list-style-type: none"> 1. Formal correspondence documenting the 10 PPA wireless implementations. 2. Formal correspondence documenting the 5 LA wireless implementations. 			

Incentive #	O-3	OPERATIONS ESSENTIAL	Due Date	09/30/12
Incentive Type	PO		Value	\$450,000
Satisfy PT (If Any)	<ol style="list-style-type: none"> 3. Formal correspondence documenting the ESMS enablement for Shipping/Receiving. 4. Formal correspondence documenting the upgrades of the telework infrastructure. 5. Formal correspondence communicating the implementation of the Unified Communications Project. 6. Formal correspondence documenting the retirement of the ESS storage systems. 7. Formal correspondence documenting the excess of the IBM x Series servers. 8. Formal correspondence documenting the upgrade or elimination of the servers utilizing legacy operating systems. 9. Formal correspondence documenting the replacement of Cisco switches that have reached End-of-Life. 			

Incentive #	O-4S	OPERATIONS STRETCH	Due Date	09/30/12
Incentive Type	PO		Value	\$200,000
Performance Incentive Title	Develop Pantex Strategic Infrastructure Plan			
Performance Measures (Description)	<ol style="list-style-type: none"> 1. Develop long range Pantex Strategic Infrastructure Plan based on latest forecast workloads for each Program Office (DSW, RTBF, and Security) and key infrastructure requirements as defined by the functional organizations according to the established schedule. 2. Plan issued and approved by B&W and PXS0. 			
Performance Target(s) (PT) (Specific Requirement(s))	<ol style="list-style-type: none"> 1. Initiate information development of up to 5 key infrastructure requirements from each of the following functional areas: Manufacturing, HE Production, SNM, Security, and Utilities. 2. Develop document outline with PXS0 concurrence. 3. Receive key infrastructure information from the functional areas. 4. Integrate information from the functional areas. 5. Publish FY12 Pantex Strategic Infrastructure Plan. 			
Required Documentation to Satisfy PT (If Any)	<ol style="list-style-type: none"> 1. Functional area information will be made available as part of the development process of the document. 2. Pantex Strategic Infrastructure Plan outline submitted for PXS0 concurrence. 3. Copy of updated Plan. 			

Incentive #	O-5S	OPERATIONS STRETCH	Due Date	09/30/12
Incentive Type	PO		Value	\$200,000
Performance Incentive Title	Develop and Enhance High Explosive Capabilities			
Performance Measures (Description)	<ol style="list-style-type: none"> 1. Support provided for HE Science Technology & Engineering (ST&E) and HE Packaging & Staging (P&S) mission need & program requirements documentation submitted to NNSA/HQ. 2. Develop mission need & program requirements documentation for future HE CoE Enhancements. 			
Performance Target(s) (PT) (Specific Requirement(s))	<ol style="list-style-type: none"> 1. Provide support and revisions to HE ST&E and HE P&S of mission need & program requirements documentation requests as required to support approval two months after receipt of final comments from HQ. 2. Develop mission need & program requirements documentation for the HE CoE future needs; HE Formulation and HE Component Fabrication and Qualification and submit to PXSO six months after receipt of authorization to proceed from HQ. 			
Required Documentation to Satisfy PT (If Any)	<ol style="list-style-type: none"> 1. Revised documentation as required for HE ST&E and HE P&S. 2. Submittal of Mission Need documents to PXSO. 			

Incentive #	O-6	OPERATIONS ESSENTIAL	Due Date	09/30/12
Incentive Type	PO		Value	\$250,000
Performance Incentive Title	Multi-Site Project Performance & Execution			
Performance Measures (Description)	Subject Matter Experts (SME) are provided as requested to support the NNSA project Peer Review Process.			
Performance Target(s) (PT) (Specific Requirement(s))	Subject Matter Expert (SME) representatives from each of the NNSA sites participate in each other's sites Peer Reviews for projects, such as; UPF at Y-12, CMRR at LANL, MOX and PDC at SRS, or other NNSA Projects within the NSE.			
Required Documentation to Satisfy PT (If Any)	Lessons Learned Report(s) and implementation as appropriate to Pantex Projects			

Incentive #	O-7	OPERATIONS ESSENTIAL	Due Date	09/30/12
Incentive Type	PO		Value	\$200,000
Performance Incentive Title	Nuclear Facility Safety System Upgrade			
Performance Measures (Description)	<ol style="list-style-type: none"> 1. Implement system engineering metrics and performance leading indicators representative of an HRO in support of Governance Transformation. 2. Maintain & enhance System Engineering program to support accomplishment of Pantex Core Nuclear Mission. 3. Improve & enhance natural phenomenon hazard (NPH) mitigation (flood, seismic, lightning) to support the accomplishment of Pantex Core Nuclear Mission. 4. Improve and enhance the Fire Protection safety management program (SMP). 			
Performance Target(s) (PT) (Specific Requirement(s))	<ol style="list-style-type: none"> 1. Implement system engineering metrics and performance leading indicators representative of an HRO in support of Governance Transformation. <ol style="list-style-type: none"> a. Develop metrics & performance indicators by 11/30/11 b. Implement the process for evaluating and analyze results from Metrics and Indicators by 1/31/12 c. Extent to which Metrics and Performance Indicators are effectively managed to improve nuclear safety system performance and System Engineering effectiveness 2. Maintain & enhance System Engineering program to support accomplishment of Pantex Core Nuclear Mission. <ol style="list-style-type: none"> a. Improve quality of engineering documents b. Extent to which safety system improvements are identified and completed (Work Order/Modification completions). c. Timely updates to engineering documents 3. Improve & enhance NPH mitigation (flood, seismic, lightning) support the mission <ol style="list-style-type: none"> a. Extent that a prioritized risk based flood mitigation/prevention strategy implemented and associated Project Plan is developed. b. Extent that Seismic Planned Improvements are completed. c. Extent that milestones are completed in accordance with the Lightning Project Plan. 4. Improve and enhance the Fire Protection SMP <ol style="list-style-type: none"> a. Evaluate effective metrics and performance indicators to enhance fire protection program processes and documentation b. Extent that process modifications and changes are initiated to ensure a positive trend in the Metrics and Performance Indicators 			
Required Documentation to Satisfy PT (If Any)	<ol style="list-style-type: none"> 1. <ol style="list-style-type: none"> a. Transmit the Metrics and performance indicators to PXSO by 11/30/11. b. Provide PXSO a status report on the process for evaluating and analyzing the results by 1/31/12. c. Monthly status reports summarizing improvements beginning February 2012. 2. <ol style="list-style-type: none"> a. Self assessments on completed engineering documents to support mid-year and 			

Incentive #	O-7	OPERATIONS	Due Date	09/30/12
Incentive Type	PO	ESSENTIAL	Value	\$200,000
	<p>end of year evaluation.</p> <p>b. Monthly Status report of system engineering program and safety system improvements</p> <p>c. Positive trends as indicated by the system engineering program indicators.</p> <p>3. a. Provide PXS0 a Prioritized and Risk Based Flood Mitigation/Prevention Improvement Project Plan by 03/31/12.</p> <p>a., b. & c. Quarterly updates on the status of the flood, seismic and lightning project plans.</p> <p>4. a. Metrics and Performance indicators established by 11/30/11.</p> <p>b. Monthly status reports of the Metrics and Performance Improvements to document changing trends and process improvement.</p>			

Incentive #	O-8S	OPERATIONS STRETCH	Due Date	09/30/12
Incentive Type	PO		Value	\$200,000
Performance Incentive Title	Enhance Energy Management and Energy Savings			
Performance Measures (Description)	<ol style="list-style-type: none"> 1. Successfully complete and implement the Energy Modernization and Investment Program (EMIP) Project to install an advanced metering system for specific Pantex Plant buildings. 2. Demonstrate progress toward the goal of 15% of Plant buildings larger than 5000 square feet meeting the HPSB requirements. 			
Performance Target(s) (PT) (Specific Requirement(s))	<ol style="list-style-type: none"> 1. Install system software and electric, natural gas and steam meters in Pantex Plant buildings identified in the Pantex Metering Project Plan, as practicable, to progress toward the EPACT 2005 and HPSB goals under the EMIP. 2. Improve the percentage of achievement in EPA's Building Portfolio Manager program for select Pantex Plant buildings. Approximately 15 Plant buildings will be fitted with the appropriate meters to increase the percentage of achievement for HPSB under Portfolio Manager. 			
Required Documentation to Satisfy PT (If Any)	<ol style="list-style-type: none"> 1. Project Closeout Report upon completion of the project. 2. A summary sheet from EPA's Building Portfolio Manager program indicating an increase in percentage of compliance to the HPSB criteria for the select buildings. 			

Incentive #	O-9	OPERATIONS ESSENTIAL	Due Date	09/30/12
Incentive Type	PO		Value	\$1,200,000
Performance Incentive Title	Contractor Assurance Program (CAS)			
Performance Measures (Description)	Continue to enhance the B&W Pantex Contractor Assurance System (CAS) through Program Execution, Assessment Planning and Execution, Effectiveness of CAS reporting, Directives Reform, and enhancement of the Assessment Review Team (ART).			
Performance Target(s) (PT) (Specific Requirement(s))	<ol style="list-style-type: none"> 1. <u>CAS Program Management</u>: The CAS provides performance information that is accurate, reliable, and timely in all mission areas. Managers use the information provided by the CAS to meet mission objectives and contract requirements. The CAS effectively drives needed performance improvement. Enhance implementation of the Pantex Governance Steering Committee. 2. <u>CAS Assessments Planning and Execution</u> <ol style="list-style-type: none"> a. Assess contractor requirements contained in a "Smart Sample" of List B directives and from 20% of the DOE Orders and Manuals listed in Attachment 1 of DOE Order 410.1. b. Assess a minimum 20% of the TSR controls (includes administrative controls, specific administrative controls, surveillance requirements, and in-service inspections) and the Safety Management Programs (SMPs) in the DSA. c. Provide a DRAFT FY13 CAS Assessment Risk Model by 7/15/12 and the final Risk Model and FY13 CAS Assessment Schedule (Primavera) by 9/30/12. 3. <u>CAS Report</u>: Provide quarterly CAS reports to PXSO by the last day of the month following the end of each quarter. Provide routine CAS reports to PXSO to identify emerging Plant issues having significance to B&W Pantex Senior Management; delineate actions developed to address the issues and mitigate their impact on performance; report progress toward issue resolution/reduction; and monitor performance on an ongoing basis to continuously recognize high performing processes, evaluate execution of critical-to-business processes, continuously identify emerging issues, and measure the success of improvement actions. 4. <u>Directives Reform</u>: Schedule and administratively support meetings of the Joint Operating Requirements Review Board (JORRB) upon request by PXSO. Based on operating experience of the JORRB, revise the charter to incorporate the lessons learned, and when possible, institutionalize the JORRB in Pantex procedures approved by PXSO. Technical evaluations submitted to the NNSA/HQ EORRB Executive Operations Requirements Review Board (EORRB) will be of sufficient quality, thoroughness, and completeness that "re-work" will be minimized. 5. <u>Assessment Review Team</u>: Reduce the ART backlog from the FY11 baseline of 3 quarters of assessments to one quarter. Increase the percentage of ART reviews from the FY11-level of 80% to 90%, exclusive of Safeguards and Security assessments and Internal Audit assessments. 			
Required Documentation to	1. CAS Program Management – evaluation of the overall performance of the 6 CAS elements.			

Incentive #	O-9	OPERATIONS	Due Date	09/30/12
Incentive Type	PO	ESSENTIAL	Value	\$1,200,000
Satisfy PT (If Any)	<ul style="list-style-type: none"> 2. Assessment Planning and Execution – FY12 Assessment Reports, Assessments Completion Metrics, FY13 Risk Model, and FY13 Assessment schedule. 3. CAS Report – Quarterly reports provided to PXSO as scheduled. 4. Directives Reform – evaluate the effectiveness of the JORRB, JORRB charter, JORRB lessons learned, and institutionalizing of JORRB procedures. 5. ART – Metrics of ART backlog reduction and ART review percentages. 			

Incentive #	O-10	OPERATIONS ESSENTIAL	Due Date	09/30/12
Incentive Type	PO		Value	\$750,000
Performance Incentive Title	Comprehensive Emergency Management System (to include, COOP, and enhanced Emergency Operations & Response)			
Performance Measures (Description)	Ensure a comprehensive Pantex Emergency Management System that complies with DOE O 151.1C and ensures the capability to respond effectively and efficiently to Operational Emergencies and coordinates appropriate levels of off-site authority's interface.			
Performance Target(s) (PT) (Specific Requirement(s))	<ol style="list-style-type: none"> 1. Transition from volunteer organization to designated position based upon job task analysis to the depth required to ensure an effective response. 2. Identify training requirements and ensure training is maintained at the 90% level for this transitional organization. 3. Develop a formalized process that will ensure the adequate staffing/deployment of emergency response facilities and functions. 4. Conduct scheduled and off-hours/no notice response drills fully staffing emergency response (EOC, JIC, AEOC, etc.) and deployment positions. 5. Integrate off-site authorities into the emergency response management system and develop coordination protocols. 6. Provide support to PXSO in the development of a COOP Plan that focuses and addresses the response and requirements of PXSO. 			
Required Documentation to Satisfy PT (If Any)	<ol style="list-style-type: none"> 1. Gap analysis identifying position based depth requirements. 2. Quarterly training documentation of required positions. 3. After action reports of all drills/exercises within 30 days of event. 4. Documentation describing maintenance, updates, and lessons learned to improve the emergency response organization. 			

Incentive #	O-11	OPERATIONS ESSENTIAL	Due Date	09/30/12
Incentive Type	PO		Value	\$1,250,000
Performance Incentive Title	Environmental Protection Program (to include Permits and LTS)			
Performance Measures (Description)	Ensure the Environmental Protection/Compliance Programs have appropriate rigor to maintain Compliance History, timely and quality deliverables, and multi-agency approvals.			
Performance Target(s) (PT) (Specific Requirement(s))	<ol style="list-style-type: none"> 1. Receive no significant violations or adverse regulatory actions from noncompliance with requirements. 2. Modernize Air Compliance monitoring and tracking software that will enhance Environmental Regulatory Compliance capabilities. 3. Ensure deliverables provided are timely and of quality nature to allow adequate processing by Site Office. 4. Provide Template and/or Rough Draft of Long Term Stewardship 5 year report. 			
Required Documentation to Satisfy PT (If Any)	<ol style="list-style-type: none"> 1. Regulatory Inspector reports indicating no violations noted. 2. Validation of Air Compliance Software viability to document compliance. 3. LTS Template and/or rough draft for 5 year report. 			

Incentive #	O-12	OPERATIONS ESSENTIAL	Due Date	09/30/12
Incentive Type	PO		Value	\$250,000
Performance Incentive Title	Nuclear Incident Response Program (NIRP)			
Performance Measures (Description)	Maintain Nuclear Incident Response Program (NIRP) capabilities in accordance with (IA W) DOE 0 153.1 and applicable Work Authorization Statements (WAS), and fully support NNSA and Other Government Agency (OGA) requests that utilize Pantex resources and/or requires approval by PXSO.			
Performance Target(s) (PT) (Specific Requirement(s))	<ol style="list-style-type: none"> 1. Implement annual operating plan for the NIRP. 2. Implement plan for classified operations at the NIRP Compound. 3. Keep PXSO regularly informed of NIRP operations. 4. Ensure NIRP activities are covered under governance reform CAS. 			
Required Documentation to Satisfy PT (If Any)	<ol style="list-style-type: none"> 1. FY12 Annual Operating Plan. 2. FY12 classified operations plan. 3. Monthly report. 4. Quarterly CAS briefing to the PXSO 			

Incentive #	O-13	OPERATIONS ESSENTIAL	Due Date	09/30/12
Incentive Type	PO		Value	\$1,300,000
Performance Incentive Title	Implementation of HRO at the Pantex Plant			
Performance Measures (Description)	Operate as a High Reliability Organization under the four practices established in the B&W Pantex publication <i>High Reliability Operations – A practical Guide to Avoid the Systems Accident</i> .			
Performance Target(s) (PT) (Specific Requirement(s))	<ol style="list-style-type: none"> 1. Produce the FY12 HRO implementation plan that contains objectives for FY12 that are consistent with continuous improvement for achieving high reliability operations and achieves those objectives. 2. Execute the FY12 Pantex HRO implementation plan. 			
Required Documentation to Satisfy PT (If Any)	<ol style="list-style-type: none"> 1. Published FY12 HRO implementation plan by 11/30/11 2. Quarterly status reports provided to PXSO 			

Incentive #	O-14S	OPERATIONS STRETCH	Due Date	09/30/12
Incentive Type	PO		Value	\$300,000
Performance Incentive Title	Transition Building 12-37 SCIF to “Special Projects” Facility			
Performance Measures (Description)	On or before September 30, 2012, transition Building 12-37 SCIF to a full-time “Special Projects” facility for use in enhancing the continued mission of the Pantex Counter Intelligence program while supporting the increase of plant IWFO activities.			
Performance Target(s) (PT) (Specific Requirement(s))	<ol style="list-style-type: none"> 1. Provide an appropriate full-time working space for CI staff and equipment within one of the existing plant SCIFs (12/31/11). 2. Provide facility upgrades/modifications as appropriate and within budget constraints to ensure the effective use of the 12-37 SCIF for IWFO activity. 			
Required Documentation to Satisfy PT (If Any)	The performance status of each Performance Target will be provided at the monthly PEP meeting. Appropriate documentation verifying performance and/or completion of each Performance Target will be addressed in the Contractor’s Performance Self-Assessment Report.			

Incentive #	O-15S	OPERATIONS STRETCH	Due Date	09/30/12
Incentive Type	PO		Value	\$200,000
Performance Incentive Title	WFO/IWFO Activity Facilities			
Performance Measures (Description)	By the end of the first quarter, identify and initiate the process to obtain the full-time use of an appropriate “nuclear-grade” facility in zone 12 MAA and a non-nuclear grade facility in zone 12 North for use in WFO/IWFO activities. Have secured and fully occupy the desired facility(ies) on or before 9/30/12.			
Performance Target(s) (PT) (Specific Requirement(s))	<ol style="list-style-type: none"> 1. Identify the use of a nuclear-grade facility located within the plants MAA (12/31/11). 2. Identify the use of a non nuclear-grade facility located within zone 12 North (3/31/12). 3. Provide facility upgrades/modifications within budget constraints to ensure its effective use to support IWFO activity (9/30/12). 			
Required Documentation to Satisfy PT (If Any)	The performance status of each Performance Target will be provided at the monthly PEP meeting. Appropriate documentation verifying performance and/or completion of each Performance Target will be addressed in the Contractor’s Performance Self-Assessment Report.			

Incentive #	S&S-1S	OPERATIONS STRETCH	Due Date	09/30/12
Incentive Type	PO		Value	\$1,200,000
Performance Incentive Title	Defense Nuclear Security (DNS) Management Excellence			
Performance Measures (Description)	<p>1.1 Provide transparency into the security budget formulation and execution activities. Site FS-20 budgets must align with NNSA Field CFO issued costing principles. Work-for-Others full cost recovery must be exercised as directed by the NNSA Field CFO.</p> <p>1.2 Incorporate traceability across all security planning documentation, i.e., Annual Operating Plans (AOP), Budget Requests, Site Safeguards and Security Plan, Performance Evaluation Plans, including Performance Based Incentives, etc.</p> <p>1.3 Provide 100% linkage of resources, i.e.: Full Time Equivalent (FTE) and subcontractors to AOP work packages/activities. Requirement traceability is incorporated across all security planning documentation i.e., Annual Operating Plan (AOP), Budget, Site Safeguards and Security Plan (SSSP), etc.</p>			
Performance Target(s) (PT) (Specific Requirement(s))	<ol style="list-style-type: none"> 1. Maintain effective performance, completed on-time, and within budget. 2. FS-20 Budget Request provides linkage of resources i.e., dollars and Full Time Equivalent (FTE) to AOP work packages/activities. 3. Progress is tracked and reported to PXSO at Quarterly Program and Budget Reviews. 4. Final approved AOP is provided to Defense Nuclear Security by 08/01/12. 5. Achieve full compliance with DNS Costing Principles and Budget & Reporting (B&R) categorizations in both budgeting and execution (costing). 6. Provide all DNS Planning, Programming, Budgeting and Evaluation (PPBE) deliverables according to DNS schedule and instructions. 7. Provide data inputs and expertise as requested by DNS in support of an Enterprise-wide lifecycle management program as described in the Physical Security Technology Management Plan (PSTMP). 8. Provide data inputs and expertise as requested by DNS in support of the Security Commodity Team. 9. Implement all NAP requirements into site policies and operational practices. 10. Identify and address skills gaps for S&S staff. 			
Required Documentation to Satisfy PT (If Any)	<p>Quarterly program and financial reviews presented within 45 days of quarter closure.</p> <p>FY 2013 AOP to HQ by 8/01/12.</p>			

Incentive #	S&S-2S	OPERATIONS STRETCH	Due Date	09/30/12
Incentive Type	PO		Value	\$600,000
Performance Incentive Title	Implement operational efficiencies.			
Performance Measures (Description)	Continue to evaluate, develop, and implement a plan through the out years to reduce the Site security "footprint" to include reducing unnecessary facilities, surplus materials, and manpower. B&W will apply new technologies to reduce manpower requirements. Reductions should be accomplished in accordance with the safeguards and security action plan developed and presented to PXSO on 5/11/11.			
Performance Target(s) (PT) (Specific Requirement(s))	<p>Site efforts are clearly articulated in a long range plan.</p> <p>Identified milestones are accomplished.</p> <p>Equipment is identified and dispositioned in accordance with established procedures.</p> <p>New technologies are implemented.</p> <p>SSSP is updated.</p>			
Required Documentation to Satisfy PT (If Any)	<p>A formal plan that addresses the application of technology and associated manpower reductions through FY 15.</p> <p>Validation of implemented technologies.</p> <p>Revised 2012 SSSP.</p>			

Incentive #	S&S-3	OPERATIONS ESSENTIAL	Due Date	09/30/12
Incentive Type	PO		Value	\$2,000,000
Performance Incentive Title	Effective S&S Programs in all Functional Areas.			
Performance Measures (Description)	<p>Implement the integrated CAS through a series of self-assessments in all S&S functional areas (Program Management; Information Protection; NMC&A; Protective Force; Personnel Security, including the Human Reliability Program; and Physical Security) and provide periodic performance conclusions to the Site Office.</p> <p>Conduct a comprehensive analysis of existing S&S PERs, determine “systems issues” and apply corrective actions to the results.</p>			
Performance Target(s) (PT) (Specific Requirement(s))	<ol style="list-style-type: none"> 1. Achieve a satisfactory, or effective, rating in Site Office surveys or assessments. 2. Notify the site office of all self-assessment activities such that PXSO has the opportunity to shadow. 			
Required Documentation to Satisfy PT (If Any)	<p>Satisfactory or effective ratings in PXSO surveys and external self-assessments.</p> <p>Monthly CAS schedule.</p> <p>Quarterly CAS reporting.</p> <p>End of year report on S&S PERs systems analysis.</p>			

Incentive #	S&S-4	OPERATIONS ESSENTIAL	Due Date	09/30/12
Incentive Type	PO		Value	\$400,000
Performance Incentive Title	Implement an effective S&S CAS.			
Performance Measures (Description)	Use of a robust and effective, risk-informed approach to develop, implement, and perform comprehensive assessments of all facilities, systems, and organizational elements on a recurring basis.			
Performance Target(s) (PT) (Specific Requirement(s))	<ol style="list-style-type: none"> 1. Development of implementation criteria. 2. Development of lines of inquiry. 3. Development of a review approach as well as effectiveness criteria. 4. Receive PXS0 "affirmation" of S&S CAS elements. 			
Required Documentation to Satisfy PT (If Any)	<p>Quarterly program reviews and MSAP report.</p> <p>CAS plan for all S&S activities.</p> <p>CAS Self-Assessment Report.</p>			

Incentive #	S&S-5	OPERATIONS ESSENTIAL	Due Date	09/30/12
Incentive Type	PO		Value	\$300,000
Performance Incentive Title	Protective Force revitalization in accordance with Tactical Response Force (TRF) requirements.			
Performance Measures (Description)	Implement TRF and revised SIRP requirements.			
Performance Target(s) (PT) (Specific Requirement(s))	<ol style="list-style-type: none"> 1. Develop, execute, and sustain PF measures in accordance with revised SIRPs and SSSP. 2. Tailor protective force duties and training requirements to specific mission-related activities. 3. Implement protective force supervisor training. 4. Implementation of life-cycle management for PF equipment. 5. Implementation of on-shift training. 6. Evaluation of cost effective training and qualification alternatives. 7. Implement command and control enhancements. 			
Required Documentation to Satisfy PT (If Any)	<p>Verification of PF measures implementation to include performance testing results</p> <p>Verification of PF duties and training implementation to include Plan of Instruction or equivalent and an effectiveness review</p> <p>Verification of PF supervisor training implementation to include Plan of Instruction or equivalent and an effectiveness review</p> <p>Verification of on-shift training implementation to include Plan of Instruction or equivalent and an effectiveness review</p> <p>Report of training and qualification alternatives</p> <p>Verification of command and control enhancements to include performance testing results</p>			

Incentive #	S&S-6	OPERATIONS ESSENTIAL	Due Date	09/30/12
Incentive Type	PO		Value	\$300,000
Performance Incentive Title	Cyber Security.			
Performance Measures (Description)	Classified and Unclassified cyber security programs meet effectiveness and efficiency expectations as verified via contractor self-assessments, PXSO oversight, and external inspections (OCIO, HSS, IG, et al.).			
Performance Target(s) (PT) (Specific Requirement(s))	<p>Ensure effective performance of the classified and unclassified cyber security program(s) by:</p> <ol style="list-style-type: none"> 1. Achieving milestone completions in approved Risk Management Framework implementation plan. 2. Improving CAS methodology and metrics by effectively integrating the cyber security comprehensive self-assessment into the overall integrated CAS schedule. 3. Enhancing continuous monitoring capabilities to enable real-time visibility which will significantly improve incident response performance. 4. Conducting assessment(s) as specified in the CAS schedule. 5. Establishing wireless security protocol for unclassified networks. 6. Establishing classified wireless network security protocol path forward for use in the OSD&I initiative. 7. Creating collaborative processes with Security and Safety departments (Cyber Security, TSCM, NES, Security Systems, CI, Explosives Safety, and IT) to enable efficient deployment of new technologies and projects. 			
Required Documentation to Satisfy PT (If Any)	<p>Integrated CAS schedule. Assessment(s) reports. Quarterly reporting, including progress related to monitoring capabilities and wireless protocols. Risk Management Framework progress.</p>			

PERFORMANCE AREA:
BUSINESS/MANAGEMENT

Incentive #	B-1	Business Management ESSENTIAL	Due Date	09/30/12
Incentive Type	PO		Value	\$1,500,000
Performance Incentive Title	FY12 Business Systems Oversight Plan (BSOP)			
Performance Measures (Description)	<p>Meet Business System attributes, performance measures, and integration / interconnectivity expectations captured in the LOP-BM.</p> <p><u>Number of "Meeting" and/or "Exceeds Expectations" Business Areas</u> Total Number of Business Areas (10) X 100</p>			
Performance Target(s) (PT) (Specific Requirement(s))	<p>Satisfactory performance of all Business Areas captured in the LOP-BM. The Business Areas are:</p> <ol style="list-style-type: none"> 1. Purchasing 2. Personal Property 3. Information Resource Management 4. Internal Audit 5. Budget Formulation and Execution 6. Finance and Accounting 7. Records and Information Management 8. Training 9. Human Resource Management 10. Contracts <p>All Business Areas are equally weighted.</p>			
Required Documentation to Satisfy PT (If Any)	Documented performance in the Contractor's annual self-assessment of performance against each of the Business Areas.			

Incentive #	B-2	Business Management ESSENTIAL	Due Date	09/30/12
Incentive Type	PO		Value	\$6,983,100
Performance Incentive Title	General Management of the Pantex Plant			
Performance Measures (Description)	Effective and efficient management and operation of the Pantex Plant consistent with the high level of safety, security, quality, ethical, fiscal, environmental, and corporate responsibility expected of a federally owned facility.			
Performance Target(s) (PT) (Specific Requirement(s))	<p>The NNSA will subjectively assess award fee performance by evaluating contractor performance that focuses on areas such as, but not limited to leadership, customer, community, and stakeholder satisfaction (including support in responses to the DNFSB), compliance with contractually mandated programs such as Equal Opportunity, Affirmative Action, etc., Plant Directed Research and Development (PDRD) program execution, management of Work for Others (WFO), and subcontract management (e.g.NQA-1, 10 CFR 851, etc.), corporate citizenship, innovation, achieving goals, plant stewardship and positioning for the future (including plant performance, site planning, and minimizing facility downtime), ensuring critical skills needed to support the mission are available and appropriate personnel, strategy, and operations processes are in place for effective execution. Other specific areas of focus include:</p> <p><u>Safety Programs:</u> Implementation of an Integrated Management Philosophy (i.e., HRO) that promotes sound management practices and concepts into all aspects of our business so that technologically innovative products, services, and solutions to complex problems can be met without harming the welfare of workers, the public or the environment.</p> <p><u>Governance:</u> Enhance the Pantex management systems to ensure missions and functions are being properly executed in compliance with laws and contract requirements, specifically focusing on completion of NAP-21 Implementation Plan milestones and improving the document control procedure and the RMS processes.</p> <ul style="list-style-type: none"> • Execute the PXSO-approved governance implementation plan (IPLAN-0076), to include: <ul style="list-style-type: none"> ○ Complete an independent assessment to validate implementation of NAP-21. ○ Publish changes to the CASDD that reflects alignment of the CAS with NAP-21. ○ Successfully complete a corporate validation review of the CAS. • Reduce the procedure processing time and backlog based on the March 2011 levels. • Reduce the requirements change control processing time and the load modifications/additions backlog based on the March, 2011 levels. <p><u>Strategic Alignment:</u> Actively participate with PXSO to establish and implement strategic initiatives that align with the Pantex Strategic Plan focused on safely, securely and reliably achieving NNSA’s mission. Provide support for and participate in ongoing and newly initiated planning activities across the NSE sites related to integrated infrastructure planning, D&D planning, sustainability, energy conservations, EMC, and other site-wide initiatives. Enhance the long-term viability of future missions at Pantex through sustained operational and programmatic excellence.</p>			

Incentive #	B-2	Business Management	Due Date	09/30/12
Incentive Type	PO	ESSENTIAL	Value	\$6,983,100
<p><u>Efficiency and Effectiveness on Contractor Activities and Fiduciary Responsibility:</u> Achieve cost reductions through continuous improvement in functions and processes that result in improved efficiency and effectiveness of contractor activities. Execute the agreed upon work scope within the fiscal and definitional constraints of the approved financial plan.</p> <p><u>Mutual Support to M&O Contractors:</u> Work collaboratively with other M&O contractors and participate in improvement initiatives to operate as “One NNSA” for the benefit of the NNSA mission and overall Nuclear Security Enterprise (NSE).</p> <p><u>Secure Transportation Asset (STA)</u> Effectively plan, manage and complete milestones and deliverables identified in the approved STA Task Agreements within budget.</p> <p><u>University of Pantex (UPx):</u> Enhance training and educational opportunities for the Pantex Plant by collaboration with academia in the development of the UPx.</p> <p><u>Quality Management Systems:</u> Improve quality assurance management systems for work activities that results in enhanced effectiveness of Pantex Plant processes and procedures.</p> <ul style="list-style-type: none"> • Ensure the procurement of items and services meets established quality requirements. Adjust business processes and the Enterprise Supply Chain System (ESMS) to enhance current controls. • Enhance the quality of B&W Pantex work processes for products that cross divisional boundaries. <p><u>Enhancement of the PPBE Process:</u> Continue enhancement of overall integration and interconnectivity of programmatic requirements to facilitate clear communication of impacts against projected funding targets. Continue to participate with PXSO to evaluate and communicate site funding and workload requirements and effective execution of the Plant Budget.</p> <p><u>Effective Labor Relations:</u> Effectively prepare and manage negotiations with the Pantex Guard Union (PGU) to achieve a bargaining agreement within established economic parameters that supports the NNSA’s Pantex mission, while assuring effective planning to ensure contingencies for continuity of operations and through the agreement achieving optimum operational flexibility and utilization of resources.</p> <p><u>Management of Health Care Costs:</u></p> <ul style="list-style-type: none"> • Implement health care cost savings measures. • Conduct dependent eligibility audit. <p><u>Equal Employment Opportunity</u></p>				

Incentive #	B-2	Business Management ESSENTIAL	Due Date	09/30/12
Incentive Type	PO		Value	\$6,983,100
	<ul style="list-style-type: none"> • Support an independent assessment of program. • Continue improvement in the area of EEO (i.e. training, senior management involvement, EEO awareness, enhance recruitment effort, etc) 			
Required Documentation to Satisfy PT (If Any)	The performance status of each Performance Target will be provided at the monthly PEP meeting. Appropriate documentation verifying performance and/or completion of each Performance Target will be addressed in the Contractor's Performance Self-Assessment Report.			

PERFORMANCE AREA:
MULTI-SITE

Incentive #	TBD	MULTI-SITE	Due Date	09/30/12
Incentive Type	PBI		Value	\$4,249,900
Performance Incentive Title				
Performance Measures (Description)				
Performance Target(s) (PT) (Specific Requirement(s))				
Required Documentation to Satisfy PT (If Any)				