TASK ORDER 5.1 – NAVAL REACTOR'S DEMOLITION AND DISMANTLEMENT (D&D)

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Section B - Supplies or Services and Prices/Costs

This subtask (herein referred to as Task Order 5.1) shall be performed under the following:

Contract Structure	Number	Herein Referred to as
Indefinite Delivery/Indefinite Quantity Contract	89303321DEM000061	Master IDIQ Contract
Hybrid Task Order	89304223FEM400000	Hybrid Task Order
Contract Line Item Number	05	CLIN 05
Subtask	0501	Task Order 5.1

Section B of the Hybrid Task Order is incorporated by reference. The requisite clause information specific to this Task Order 5.1 included below is consistent with the clause numbering structure established by the Master Indefinite Delivery/Indefinite Quantity (IDIQ) Contract.

B.1 DOE-B-2012 Supplies/Services Being Procured/Delivery Requirements (Oct 2014)

The Contractor shall furnish all personnel, facilities, equipment, material, supplies, and services (except as may be expressly set forth in Task Order 5.1 as furnished by the Government) and otherwise do all things necessary for, or incident to, the performance of work as described in Section C, Performance Work Statement (PWS) under Task Order 5.1.

B.2 Type of Contract

(a) DOE-B-2003 Cost-Plus-Incentive-Fee Task Order: Total Estimated Cost and Incentive Fee (Oct 2014) (Revised)

(1) This is a Cost-Plus-Incentive-Fee type Task Order. In accordance with the clause at FAR 52.216-10, *Incentive Fee*, the cost and performance incentive information are as follows:

(i) Cost Incentive (S1W D&D):

Target Cost (Direct):	$ 39,975,444
Target Fee (1.0%):	$ 399,754
Maximum Fee (3.0%):	$ 1,199,263
Minimum Fee:	$ 0

Cost Incentive (A1W D&D and S5G Planning):

Target Cost (Direct):	$ 56,867,523
Target Fee (1.0%):	$ 586,675
Maximum Fee (3.0%):	$ 1,706,025
Minimum Fee:	$ 0

Cost Incentive (S5G D&D):

Target Cost (Direct):	$ 91,541,451
Target Fee (1.0%):	$ 909,505
Maximum Fee (3.0%):	$ 2,746,244
Minimum Fee:	$ 0

Cost Incentive (Additional Work for NRF):

Target Cost (Direct):	$ 1,106,894
Target Fee (1.0%):	$ 11,069
Maximum Fee (3.0%):	$ 33,207
Minimum Fee:	$ 0

As specified at Section I clause FAR 52.216-10, *Incentive Fee*, paragraph (e)(1): the fee payable under this contract shall be the target fee increased by thirty (30) cents for every dollar the total allowable cost is less than the target cost or decreased by thirty (30) cents for every dollar the total allowable cost exceeds the target cost. In no event shall the overall fee be greater than fifteen (15) percent or less than zero percent of the target cost.

(ii) Performance Incentive (S1W D&D):

Maximum Fee (12.0%):	$ 4,797,053
Minimum Fee:	$ 0

Performance incentive fee shall be earned as deactivation and demolition of the S1W areas are completed. Performance incentive fee shall be earned as follows (Table B-1):

Table B-1. Performance Incentive (S1W D&D)

PERFORMANCE INCENTIVE - PROGRESS/COMPLETION FEE		Amount
Interim/Progress Fee 6.75% (earned upon completion/no clawback)		
Deactivation Activities:		
Area 4 Hot Cell Ready for Demo		$ 150,000
Prototype Engine Compartment Ready for Demo		$ 150,000
Prototype Reactor Compartment Ready for Demo		$ 150,000
Deactivation of NRF-601 complete		$ 450,000
Demolition Activities:		
NRF-601 Above Grade Demolition Areas 1, 2, and 7		$ 800,000
Slab/Below-Grade Demolition and Waste Loadout		$ 1,000,000
Total Progress Fee		**$ 2,700,000**
End State Fee 5.25%		
End State-S1W D&D Completed Site Restoration/Closure by 11/26/2025		$ 2,097,053
End State-S1W D&D Completed Site Restoration/Closure ***after*** 11/26/2025		$ -
Total End State Fee		**$ 2,097,053**
TO 5.1 Maximum Available Fee for S1W D&D Completed Site Restoration/Closure by 11/26/2025	**12.0%**	**$ 4,797,053**

(A) $150,000 may be earned (no claw back) equally as deactivation of each of the S1W areas listed above: Area 4 Hot Cell, prototype engine compartment, and prototype reactor compartment, are completed. Upon completion of all three (3) deactivation activities, including ready for demolition, the Contractor shall earn an additional $450,000. If less than three (3) of the S1W areas are deactivated, the Contractor will not earn the $450,000. The total interim progress fee available for deactivation of NRF-601 is $900,000.

(B) $800,000 may be earned with completion of the NRF-601 above grade demolition, and an additional $1,000,000 may be earned with completion of the slab/below-grade demolition and waste loadout. The total interim progress fee for demolition activities is $1,800,000.

(C) The remaining $2,097,053 shall be earned by the Contractor after completion of site restoration and closure of S1W on or before November 26, 2025. None of the $2,097,053 fee shall be earned if site restoration and closure of S1W are not completed by November 26, 2025.

(D) Completion criteria for final performance fee payment is as follows:

NRF-601 demolition, waste disposition, and site restoration and closure sequenced with the start of full A1W facility deactivation and demolition to ensure continuity of work and highly skilled/trained workforce.

Performance Incentive (A1W D&D and S5G Planning)

Maximum Fee (6.90%): $ 3,923,859

Minimum Fee: $ 0

Performance incentive fee shall be earned as deactivation and demolition of the A1W areas are completed. Performance incentive fee shall be earned as follows (Table B-2):

Table B-2. Performance Incentive (A1W D&D and S5G Planning)

	IEC Proposed Fee Details		
	Performance Incentive		
	A1W DEACTIVATION (Fee Earned Upon Completion/No Clawback)		Amount
1	A1W Area 6 Diesel Generator Building Deactivation Complete/Demolition Ready	$	60,000
2	A1W Area 2 Power Absorber Building Deactivation Complete/Demolition	$	60,000
3	A1W Area 1 Dumping Condenser #1 Deactivation Complete/Demolition	$	60,000
4	A1W Area 7 PCMA Deactivation Complete/Demolition Ready	$	60,000
5	A1W Area 8 616C Office/Lab Deactivation Complete/Demolition Ready	$	60,000
6	A1W Area 9 616C Office/Lab Deactivation Complete/Demolition Ready	$	60,000
7	A1W Area 10 Crane and Crane Enclosure Deactivation Complete/Demolition Ready	$	60,000
8	A1W Area 3 Prototype Hull Structure Deactivation Complete/Ready	$	60,000
9	A1W Area 4 PCMA Deactivation Complete/Demolition Ready	$	60,000
10	A1W Area 5 Reactor Compartment Deactivation Complete/Demolition Ready	$	60,000
11	NRF- 626A/B Demolition Ready	$	60,000
12	NRF-733 Tunnel Deactivation Complete/Demolition Ready	$	60,000
13	Complete Transporting Reactor Vessels 3A to ICDF	$	130,000
14	Complete Transporting Reactor Vessels 3B to ICDF	$	130,000
	A1W DEACTIVATION TOTAL	**$**	**980,000**
	A1W DEMOLITION (Fee Earned Upon Completion/No Clawback)		
1	A1W Area 1 Above Grade Demolition Complete	$	66,000
2	A1W Area 2 Above Grade Demolition Complete	$	67,000
3	A1W Area 6 Above Grade Demolition Complete	$	67,000
4	A1W Area 8 616C Above Grade Demolition Complete	$	200,000
5	A1W Area 9 616C Above Grade Demolition Complete	$	200,000
6	A1W Area 10 Crane and Crane Enclosure Demolition Complete	$	200,000
7	A1W Area 3 Prototype Hull Above Grade Demolition Complete	$	200,000
8	A1W Area 4 PCMA Above Grade Demo Complete	$	200,000
9	A1W Area 7 PCMA Above Grade Demolition Complete	$	200,000
10	A1W Area 5 Reactor Compartment Above Grade Demolition Complete	$	400,000
11	A1W Slabs and 733 Tunnel Complete Demolition	$	385,000
12	NRF 626 A/B Demolition Complete	$	378,635
	A1W DEMOLITION TOTAL	**$**	**2,563,635**
	S5G Source Removal Activities (Fee Earned Upon Completion/No Clawback)		Amount
1	S5G Source Removal	$	190,112
2	S5G Removal and Disposal of Loose Item in Basin	$	190,112
	S5G SOURCE REMOVAL TOTAL	**$**	**380,224**
	TOTAL PERFORMANCE INCENTIVE	**$**	**3,923,859**

Performance/Delivery Incentive (S5G D&D)

Maximum Fee (6.75%): $ 6,179,048

Minimum Fee: $ 0

Performance incentive fee shall be earned as deactivation and demolition of the S5G areas are completed. Must be complete before 9/30/2031 to be earned. Performance incentive fee will be earned as follows (Table B-3):

Table B-3. Performance/Delivery Incentive (S5G D&D)

Performance/Delivery Incentive			
S5G Reactor Vessel Disposal at ICDF	*0.75%*	*$*	*686,561*
S5G Prototype Dismantlement and Disposal	*5.50%*	*$*	*5,034,780*
Installation of the Structural Floor	*0.50%*	*$*	*457,707*
Total	6.75%	**$**	***6,179,048***

Performance/Delivery Incentive (Additional Work for NRF)

Maximum Fee (12%): $ 132,827

Minimum Fee: $ 0

Performance incentive fee shall be earned as follows, after performance milestones are completed and confirmed by DOE ICP.

Table B-4. Performance/ Delivery Incentive (NRF D&D Additional Work)

Fee Structure	%		Amount
Performance/Delivery Incentive	**12.00%**	**$**	**132,827**
NSI's for S1W	*2.00%*	$	22,138
NSI's for A1W	*2.00%*	$	22,138
Additional Characterization/Sampling, soil/debris removal for S1W	*2.00%*	$	22,138
Fencing A1W Complete	*2.00%*	$	22,138
Fencing S5G Complete	*2.00%*	$	22,138
Containment Barrier S5G	*2.00%*	$	22,138

(iii) Schedule Incentive (A1W D&D and S5G Planning):

	Schedule Incentive	5.10%
1	Complete A1W D&D by 9/28/28	**$ 2,900,244**
2	Complete A1W D&D **AFTER** 9/28/28	$ -

Schedule Incentive (S5G D&D):

	Schedule Incentive (Max)	5.25%	$	4,805,926
1	Final Completion - Early Date of 7/31/2031	5.25%	$	4,805,926
2	Final Completion - Late Date of 9/30/2031	4.16%	$	3,805,926

There is a $1M difference in fee between completing final delivery by the early date of July 31, 2031, and the late date of September 30, 2031. If final completion occurs within this two-month window, the fee will be prorated based on the completion date, at a rate of $16,393 per day ($1,000,000 ÷ 61 days).

(2) The total estimated direct cost and performance incentive fee available are as follows (Table B-5 – B-9):

Table B-5. Estimated Total Price (S1W D&D)

Total Estimated Direct Cost:	**$39,975,444**
Cost Incentive Fee Max:	**$1,199,263**
Performance Management Incentive (PMI) Fee:	*
Performance Incentive Fee Max:	**$4,797,053**
Total Estimated Price (Direct Cost + Max Fee):	**$45,971,760**

Table B-6. Estimated Total Price (A1W D&D and S5G Planning)

Total Estimated Direct Cost:	**$56,867,523**
Cost Incentive Fee Max:	**$1,706,025**
Performance Management Incentive (PMI) Fee:	*
Performance Incentive Fee Max:	**$3,923,859**
Schedule Incentive	**$ 2,900,244**
Total Estimated Price (Direct Cost + Max Fee):	**$65,397,651**

Table B-7. Estimated Total Price (S5G D&D)

Total Estimated Direct Cost:	**$91,541,451**
Cost Incentive Fee Max:	**$2,746,244**
Performance Management Incentive (PMI) Fee:	*
Performance/Delivery Incentive Fee Max:	**$6,179,048**
Schedule Incentive	**$ 4,805,926**
Total Estimated Price (Direct Cost + Max Fee):	**$105,272,669**

Table B-8. Estimated Total Price (Additional Work for NRF)

Total Estimated Direct Cost:	**$1,106,894**
Cost Incentive Fee Max:	**$33,207**
Performance Management Incentive (PMI) Fee:	*
Performance/Delivery Incentive Fee Max:	**$132,827**
Total Estimated Price (Direct Cost + Max Fee):	**$1,272,928**

*This does not include POH

Table B-8. Estimated Total Price (Combined Total)

Total Estimated Direct Cost:	**$189,491,312**
Cost Incentive Fee Max:	**$5,684,739**
Performance Management Incentive (PMI) Fee:	*
Performance/Delivery Incentive Fee Max:	**$15,032,787**
Schedule Incentive	**$7,706,170**
Total Estimated Price (Direct Cost + Max Fee):	**$217,915,008**

**PMI will be available among all active TOs; however, the entire PMI fee available is managed under TO-3.2.*

The incentive fee above is related to direct costs (including fringe costs on direct labor) only and excludes any fee related to Program Overhead (POH) costs. The Parties agree that any fee associated with POH will be captured in Task Order 3.2 Integration and Mission Continuity for Fiscal Years 2024-2028, POH.

(b) Payment of fee:

(1) Cost incentive fee will be made in accordance with this clause and Section B.12 *Provisional Payment of Fee* (Oct 2013)(Revised) of the Master IDIQ Contract.

(2) Cost incentive fee under this Task Order 5.1 will be invoiced and paid quarterly. To determine the amount of cost incentive fee to invoice, the target fee will be divided by the total number of quarters. The Department of Energy, Idaho Cleanup Project (DOE-ICP) will perform an additional evaluation to determine accuracy underruns/overruns experienced. Lastly, 20% of the estimated earned fee will be held until the end of the associated D&D facility project.

(3) Performance/Delivery incentive fee under this Task Order 5.1 will be invoiced and paid quarterly after completion criteria is validated by DOE-ICP.

For S5G, when IEC meets, or is on track to meet, the Performance/Delivery Incentives, fee is paid as follows:

a) A provisional fee will be paid quarterly based on the completion percentage accomplished in that quarter for each Performance/Delivery Incentive
b) The completion percentage for each Performance/Delivery Incentive will be determined by the project's P6 schedule
c) The project must maintain an S5G Project Schedule Performance Index (SPI) of .9 or greater to invoice provisional fee
d) Once a Performance/Delivery Incentive is completed, the Performance/Delivery Incentive fee for that item cannot be clawed back as long as that Performance/Delivery Incentive was completed prior to 09/30/2031

(4) Schedule fee (A1W & S5G) will be paid as a lump sum if schedule milestone is met or exceeded. S5G project completion after the latest schedule milestone will result in no earned schedule fee and any provisional schedule fee paid will be clawed back.

(c) Task Order 5.1 Description:

Initially, the PWS is covered under Task Order 3.2 Integration and Mission Continuity (IMC) to provide for operational continuity and programmatic support during which initial End State Task Orders will be defined, developed, and negotiated. In accordance with the Ten-Year End State Strategic Task Order Plan, Naval Reactors End State includes the following subtasks for Naval Reactors End State: S1W Facility D&D, Aircraft Carrier 1st Generation Westinghouse (A1W) Facility D&D, Submarine 5th Generation General Electric (S5G) Facility D&D, and Core Car. Task Order 5.1, includes the S1W Facility D&D, A1W Facility D&D and S5G Planning, S5G D&D, and additional prototype work for NRF. Additional work scope for the remaining Naval Reactors End State will be defined, developed, and negotiated as information becomes available.

B.4 DOE-B-2013 Obligation of Funds (Oct 2014)

(a) Pursuant to the clause of this contract in FAR 52.232-22, *Limitation of Funds*, total funds in the amount(s) of $*(see current funding modification and accompanying detailed funding profile)* are obligated for the payment of allowable costs.

Obligated funding shall only be used for the specific subtasks as designated in the Hybrid Task Order and shall not be used for any other subtask.

Section C - Performance Work Statement

C.1 Task Order Requirements

During the execution of Task Order 5.1, the Contractor shall perform the scope defined in the following PWS section of the Master IDIQ Contract, identified below:

- C.8.0 – FACILITY DEMOLITION AND DISMANTLEMENT (D&D)

The contractor shall complete D&D activities in support of the Naval Reactors Facility (NRF) Submarine 1st Generation Westinghouse (S1W) Reactor Prototype, Aircraft Carrier 1st Generation Westinghouse (A1W), Submarine 5th Generation General Electric (S5G), and the designated support structures under the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) non-time critical removal action (NTCRA).

Section D - Packaging and Marking

Section D of the Hybrid Task Order is incorporated by reference.

Section E - Inspection and Acceptance

Section E of the Hybrid Task Order is incorporated by reference.

Section F - Deliveries or Performance

Section F of the Hybrid Task Order is incorporated by reference. The requisite clause information specific to Task Order 5.1 included below is consistent with the clause numbering structure established by the Master IDIQ Contract.

F.3 Period of Performance

(a) The S1W D&D Period of Performance (POP) is anticipated to be October 1, 2023, through November 26, 2025.

(b) The A1W D&D and S5G Planning POP is October 1, 2024, through September 28, 2028.

(c) The S5G D&D Period of Performance (POP) is October 30, 2025, through September 30, 2031.

(d) The Additional NRF D&D Work Scope Period of Performance is November 17, 2025, through September 30, 2031.

Section G - Contract Administration Data

Section G of the Hybrid Task Order is incorporated by reference.

Section H - Special Contract Requirements

Section H of the Hybrid Task Order is incorporated by reference.

Section I - Contract Clauses

Section I of the Hybrid Task Order is incorporated by reference.

Section J - List of Documents, Exhibits, and Other Attachments

Section J of the Hybrid Task Order is incorporated by reference, as applicable to Task Order 5.1. The Contractor shall submit the required deliverables under Task Order 5.1 in accordance with Attachment J-2 *Contract Deliverables* of the Master IDIQ Contract.

Summary:

S1W D&D (Base Award):

Direct Cost: $39,975,444
Indirect Cost: $11,289,065
Pension: $968,393
Fee: $5,996,316*
Total Price: $58,229,219

***S1W D&D fee breakout below:**

IEC Propsed Fee Summary (S1W D&D)	%		Amount
Cost Incentive	**3.00%**	**$**	**1,199,263**
Target Cost (Direct)		*$*	*39,975,444*
Target Fee	*1.00%*	*$*	*399,754*
Maximum Fee	*3.00%*	*$*	*1,199,263*
Minimum Fee	*0.00%*	*$*	*-*
Performance/Delivery Incentive	**12.00%**	**$**	**4,797,053**
Interim/Progress Fee	*6.75%*	*$*	*2,700,000*
End State Fee	*5.25%*	*$*	*2,097,053*
Total Available Fee	**15.00%**	**$**	**5,996,316**

A1W D&D (Base Award):

Direct Cost: $56,867,523
Indirect Cost$17,367,341
Fee: $8,530,128*
Total Price: $82,764,992

***A1W D&D fee breakout below:**

Fee Structure A1W D&D	%		Amount
Cost Incentive	**3.00%**	**$**	**1,706,025**
Target Cost (Direct)		*$*	*56,867,523*
Target Fee	*1.00%*	*$*	*568,675*
Maximum Fee	*3.00%*	*$*	*1,706,026*
Minimum Fee	*0.00%*	*$*	*-*
A1W Schedule Incentive	**5.10%**	**$**	**2,900,244**
Interim/Progress Fee			
Performance Delivery Incentive	**6.90%**	**$**	**3,923,859**
A1W Deactivation			
A1W Demolition			
S5G Source Removal and Loose Item in Basin			
Total Fee	**15.00%**	**$**	**8,530,128**

S5G D&D (Base Award):

Direct Cost: $91,541,451
Indirect Cost: $31,25,484
Fee: $13,731,218*
Total Price: $136,598,153

***S5G D&D fee breakout below:**

Fee Structure S5G D&D	%	Amount
Cost Incentive	**3.00%**	**$ 2,746,244**
Target Cost (Direct)		*$ 91,541,451*
Target Fee	*1.00%*	*$ 915,415*
Maximum Fee	*3.00%*	*$ 2,746,244*
Minimum Fee	*0.00%*	*$ -*
Performance/Delivery Incentive	**12.00%**	**$ 10,984,974**
S5G Reactor Vessel Disposal at ICDF	*0.75%*	*$ 686,561*
S5G Prototype Dismantlement and Disposal	*5.50%*	*$ 5,034,780*
Installation of the Structural Floor	*0.50%*	*$ 457,707*
Final Completion	*5.25%*	*$ 4,805,926*
Total Fee	**15.00%**	**$ 13,731,218**

NRF D&D Additional Work

Direct Cost: $1,106,894
Indirect Cost: $22,138
Fee: $166,034*
Total Price: $1,295,066

***NRF D&D Additional Work fee breakout below:**

IEC Propsed Fee Summary (NRF D&D Additional Work)	%	Amount
Cost Incentive	**3.00%**	**$ 33,207**
Target Cost (Direct)		*$ 1,106,894*
Target Fee	*1.00%*	*$ 11,069*
Maximum Fee	*3.00%*	*$ 33,207*
Minimum Fee	*0.00%*	*$ -*
Performance/Delivery Incentive	**12.00%**	**$ 132,827**
NSI's for S1W	*2.00%*	*$ 22,138*
NSI's for A1W	*2.00%*	*$ 22,138*
Additional Characterization/Sampling, soil/debris removal for S1W	*2.00%*	*$ 22,138*
Fencing A1W Complete	*2.00%*	*$ 22,138*
Fencing S5G Complete	*2.00%*	*$ 22,138*
Containment Barrier S5G	*2.00%*	*$ 22,138*
Total Available Fee	**15.00%**	**$ 166,034**