

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT		1. CONTRACT ID CODE	PAGE OF PAGES 1 1
2. AMENDMENT/MODIFICATION NO. 195	3. EFFECTIVE DATE See Block 16C	4. REQUISITION/PURCHASE REQ. NO.	5. PROJECT NO. (if applicable)
6. ISSUED BY Idaho Operations U.S. Department of Energy Idaho Operations 1955 Fremont Avenue Idaho Falls ID 83415	CODE 00701	7. ADMINISTERED BY (if other than Item 6) Idaho Operations U.S. Department of Energy Idaho Operations 1955 Fremont Avenue MS 1221 Idaho Falls ID 83415	CODE 00701
8. NAME AND ADDRESS OF CONTRACTOR (No., street, county, State and ZIP Code) BATTELLE ENERGY ALLIANCE, LLC Attn: Dana Storms P.O. BOX 1625 IDAHO FALLS ID 834150001		(x) 9A. AMENDMENT OF SOLICITATION NO.	9B. DATED (SEE ITEM 11)
CODE 152020629	FACILITY CODE	x 10A. MODIFICATION OF CONTRACT/ORDER NO. DE-AC07-05ID14517	10B. DATED (SEE ITEM 13) 11/09/2004

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers is extended, is not extended.
Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods: (a) By completing Items 8 and 15, and returning _____ copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGEMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. ACCOUNTING AND APPROPRIATION DATA (if required)

See Schedule

13. THIS ITEM ONLY APPLIES TO MODIFICATION OF CONTRACTS/ORDERS. IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.

CHECK ONE	A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.
	B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b).
X	C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF: Mutual Agreement of the Parties, FAR 43.103(a)(3)
	D. OTHER (Specify type of modification and authority)

E. IMPORTANT: Contractor is not, is required to sign this document and return 1 copies to the issuing office.

14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)

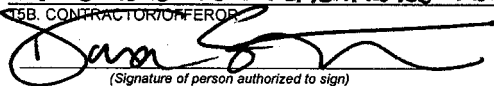

Tax ID Number: 68-0588324

DUNS Number: 152020629

THE PURPOSE OF THIS MODIFICATION IS TO: incorporate clause additions and updates to Section I; incorporate revised and updated items in Section J to include Key Personnel List, Tenant Agreements and the FY 11 Small Business Plan. See Continuation page for specific information.

Period of Performance: 11/09/2004 to 09/30/2014

Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. NAME AND TITLE OF SIGNER (Type or print) Dana M. Storms, Acting Manager Prime Contract & Performance Management	16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print) Suzette M. Olson
15B. CONTRACTOR/OFFEROR  (Signature of person authorized to sign)	16B. UNITED STATES OF AMERICA  (Signature of Contracting Officer)
15C. DATE SIGNED 11/12/2010	16C. DATE SIGNED 11/15/10

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Tax ID Number: 68-0588324

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Period of Performance: 11/09/2004 to 09/30/2014

Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. NAME AND TITLE OF SIGNER (Type or print)		16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print) Suzette M. Olson	
15B. CONTRACTOR/OFFEROR (Signature of person authorized to sign)	15C. DATE SIGNED	16B. UNITED STATES OF AMERICA Signature on File (Signature of Contracting Officer)	16C. DATE SIGNED 11/15/2010

The purpose of this modification is to incorporate clause additions and updates to Section I; incorporate revised and updated items in Section J to include Key Personnel List, Tenant Agreements and the FY 11 Small Business Plan.

Part II, Section I – Contract Clauses – I.1 FAR 52.252-1 – Solicitation Provisions Incorporated by Reference (Feb 1998):

FAR CLAUSES: add 52.222-54 – Employment Eligibility Verification (Jan 2009) (AS-CMD-INL-10-273)

DEAR CLAUSES: update 952.204-2 Security to read (Aug 2009) in lieu of (Sept 1997) (CCN 222279)

Part III, List of Documents, Exhibits and Other Attachments:

Section J-D List of Key Personnel – Incorporate the following changes:

Deputy Laboratory Director for **Nuclear Operations** – Riley Chase

Director, Facilities and Site Services – **TBD**

Delete **Director, Nuclear Operations**

Delete attachment effective November 1, 2009 (1 page) and replace with attached list dated October 1, 2010.

Section J-F Tenant Agreements, Attachments F-9, Memorandum of Understanding Between the Department of Army (DA) and Department of Energy (DOE)

Delete Addendum 6, dated June 2005 (9 pages) and replace with the attached Addendum 7, dated December 2009 (7 pages)

Section J-J Small Business Subcontracting Plan:

Delete the Small Business Subcontracting Plan (FY 10) (9 pages) and replace the attached Small Business Subcontracting Plan Fiscal Year 2011 (9 pages)

All other terms and conditions remain unchanged.

Battelle Energy Alliance Key Personnel List

Effective October, 2010

The Battelle Energy Alliance employees listed below are considered Key Personnel, and their assignment, reassignment, or removal is subject to the clause entitled, "Key Personnel"

- Laboratory Director, John Grossenbacher
- Deputy Laboratory Director for Science and Technology (S& T), Dave Hill
- Deputy Laboratory Director for **Nuclear** Operations, **Riley Chase**
- Deputy Laboratory Director for Management, Juan Alvarez
- Associate Laboratory Director for Nuclear S&T, Phillip Finck
- Associate Laboratory Director for National and Homeland Security S& T, KP Ananth
- Associate Laboratory Director for Energy and Environment S&T, Bill Rogers
- Director of Business Management and Chief Financial Officer, Ron Paige
- Director, Facilities and Site Services, **TBD**

Interagency Agreement Between
the
U. S. Department of the Army
Project Management Office
Heavy Brigade Combat Team
and the
U. S. Department of Energy
Idaho Operations Office

I. PURPOSE

This Agreement, upon acceptance by the Department of Army (DA) Project Management Office Heavy Brigade Combat Team (PM HBCT) and the Department of Energy (DOE), Idaho Operations Office (the Parties), becomes Addendum 7 to the Memorandum of Understanding effective on February 5, 1985, and hereby revises, replaces and supersedes Addendum 6 dated June 2005. Addendum 7 becomes effective, in its entirety, upon the date of execution by both Parties. The Parties hereby agree, except to the extent addressed and carried forward in Addendum 7, that all tasks previously identified in Addendum 6 and its modifications, have been fully funded and have been completed to the satisfaction of the Parties.

II. AUTHORITY

Authority to enter into this Agreement is the Economy Act of 1932, as amended, (31 U.S.C. 1535).

III. SCOPE OF WORK

For the period as hereinafter set forth, the PM HBCT and the DOE shall furnish all the items necessary for, or incident to, the performance of the specific tasks herein identified and established by mutual consent of the Parties or added by written modifications to this Agreement.

A. Specifically, the Department of the Army, Project Management Office, Heavy Brigade Combat Team (PM HBCT) will:

1. Provide the necessary funding to DOE for accomplishment of all activities related to the Abrams Tank Armor Program, including but not limited to, the Specific Manufacturing Capability (SMC) Project to include product, facilities, equipment, decommissioning and decontamination of facilities and equipment, contract termination, close out, disposal of program related information scrap and waste, and environmental cleanup and liabilities resulting from Army dedicated use facilities, and joint use facilities to the extent that Army work is a causal factor.

Such funding shall be on a full cost recovery basis, excluding the federal administrative charge.

2. Provide technical specifications for procurement of all critical armor materials.
3. Define delivery requirements for Armor Packages in a timely manner to permit planning for acquisition of materials, facilities and services.
4. Provide instructions for disposing or excessing of equipment no longer needed for production of Armor components.
5. Provide technical specifications for the Armor Packages being manufactured in the form of a "Requirements Document" (RD03 Rev. 1 and RD04 Rev. 2), hereinafter referred to as the Technical Data Package (TDP). The TDP will include definitive information for final product units in the form of drawings and specifications, a description of the general manufacturing processes and a definition of product quality requirements. Final approving authority of the TDP shall be the responsibility of PM HBCT.
6. PM HBCT and DOE will process formal changes to the TDP through an Engineering Change Process.
7. Be responsible for Product Configuration Management.
8. Provide written authorization and scopes of work for all PM HBCT funded activities.
9. Retain title to and ownership of all depleted uranium metal inventories associated with the Abrams Tank Armor Program.
10. Accept title to and ownership of finished product units and test assemblies upon receipt of delivery at destination.
11. Accept nuclear material accountability upon receipt of material from the Idaho National Laboratory (INL).
12. Participate in the DOE Performance Incentive process concerning SMC operations, as desired, by reviewing the Performance Incentive Evaluations for the Abrams Tank Armor Program work, providing comments/input.
13. Determine that periodic performance testing of finished product units is acceptable prior to shipment of product from DOE to the site for tank armor integration (including, but not limited to: the Joint System Manufacturing Center-Lima and the Anniston Army Depot.) If units meet TDP requirements but fail periodic performance testing, the PM HBCT shall establish a course of action regarding disposition of units already produced as well as changes to be made on future units.

14. PM HBCT is responsible for providing to DOE the scope of work for this project. PM HBCT will have the opportunity to review and comment upon the terms of that portion of the contract pertaining to the PM HBCT's scope of work to ensure that it satisfactorily meets PM HBCT's requirements.
15. Review and provide input and oversight of the DOE contract for the operations of the SMC armor manufacturing and development facilities.

In addition to items 1 through 15 above, PM HBCT may establish, with DOE concurrence, resident technical representatives at the DOE INL site. Duties and responsibilities of the resident technical representatives shall be jointly agreed to by both DOE and the PM HBCT.

B. Specifically, the Department of Energy will:

1. Contract for operation of the SMC armor manufacturing and development facilities at the INL to produce armor in accordance with technical requirements provided by the PM HBCT. The SMC contract scope of work shall be structured to safely perform and support the programmatic work required to operate and maintain the armor manufacturing and development facilities.
2. DOE is responsible for incorporating terms and conditions into the Contract sufficient to accomplish the scope of work and requirements as provided by PM HBCT. DOE is responsible for selecting a contractor to perform the work and for ensuring that the contractor performs the work in accordance to the contract. DOE shall also ensure that the contractor retains a sufficient quantity of the current "trained and cleared" work force.
3. Where security ties to the PM HBCT are a factor, DOE will, upon written request from the PM HBCT, arrange for purchase and delivery to Army-specified locations, of special, classified, material in final configuration, in accordance with specifications and drawings provided by PM HBCT. Acceptance of such material by DOE shall be based upon conformance to drawing requirements, and upon the vendor's Certificate of Compliance for chemical and physical properties.
4. As requested by PM HBCT, assist in development of a systematic approach for disposing of all depleted uranium metal generated by the manufacturing process.
5. Maintain the TDP and issue revisions as directed by PM HBCT through an Engineering Change Process. Final approving authority of the TDP shall be the responsibility of PM HBCT.
6. Provide for purchase of, and maintain a program for, the protection, preservation, maintenance, repair and replacement of all Industrial Plant Equipment (IPE) and Operating Plant Equipment (OPE). For the purposes of this Agreement, IPE/OPE is defined as:

INDUSTRIAL PLANT EQUIPMENT (IPE) – Plant equipment with an acquisition cost of \$5,000 or more used for the purpose of cutting, abrading, grinding, shaping, forming, joining, testing, measuring, heating, treating, or otherwise altering the physical, electrical, or chemical properties of materials, components or end items entailed in manufacturing, maintenance, supply, processing assembly or research and development operations.

OPERATING PLANT EQUIPMENT (OPE) – That part of plant equipment regardless of dollar value which is used in or in conjunction with the manufacture of components or end items relative to maintenance, supply, processing assembly or research and development operations, but excluding items categorized as IPE.

7. Obtain written approval from the PM HBCT for major repairs or replacements to IPE/OPE estimated to exceed a cost of \$200,000.
8. Preserve and provide disposition for any item of IPE/OPE which is to be prepared for lay-away or removed from service with final disposition to be determined by and for the account of PM HBCT.
9. Employ appropriate contracting approaches to production to improve operating efficiency and reduce product cost.
10. Develop and implement a Quality Assurance Program Plan (QAPP) in accordance with established DOE policies. The QAPP will include applicable PM HBCT quality requirements and will be subject to review by PM HBCT.
11. Be responsible for the performance of examinations and tests as required by the TDP and special material specifications.
12. Certify that all final product units conform to TDP requirements.
13. Maintain certification records for all units and/or assemblies delivered to DA.
14. Transmit billings to: DFAS-JAIA/CO
 P.O. Box 182317
 Columbus OH 43218-2317

IV. OTHER WORK

With PM HBCT approval, DOE may perform other work in the armor facility on a non-interference basis with armor production, and may perform commercial work on a rental basis in accordance with the Department of Energy Acquisition Regulations (DEAR) requirements.

V. FACILITIES AND EQUIPMENT

For the purposes of this Agreement the word "Facilities" means:

Real property constructed for the Program, as well as fixtures required for the support of such facilities, except those herein defined as Industrial Plant Equipment (IPE) and Operational Plant Equipment (OPE).

DOE will retain title to and ownership of all "Facilities" as herein defined while title to all IPE and OPE shall vest in PM HBCT.

VI. PERIOD OF PERFORMANCE

The Period of Performance for this Agreement shall be four (4) years from the date of signature of Addendum 7 by both Parties. Both Parties may extend the Period of Performance upon agreement.

VII. FINANCIAL MANAGEMENT

DOE will provide such production, cost and financial reports as are mutually agreed to by the PM HBCT and the DOE, Idaho Operations Office's SMC Program Office. The SMC Program Office shall support all requests for information to the extent that the information is available within existing DOE budgets, costs and financial systems.

A. REPORTING

1. MONTHLY

- a. Current month and fiscal year-to-date financial data.
- b. Unit cost analysis to include future projections.
- c. Narrative analysis explaining deviations from baselines outside established thresholds.
- d. Monthly and cumulative production and R&D data and status of special procurements.

2. SEMI-ANNUALLY

Five year funding profile.

B. BUDGET INFORMATION

1. An annual budget will be submitted to the Army for review and approval no later than 30 September for the following year.
2. A mid-year budget review will be held to provide status of current year spending.

C. OTHER WORK

Other work will be performed on a full cost recovery basis.

VIII. SECURITY

- A. DOE will provide security direction and oversight in accordance with the approved MOU between Department of Defense, Department of the Army (DA) and Department of Energy including The National Security Administration Office of Security and Defense Nuclear Security (DOE/NNSA) (for Security Administration of Special access Programs) Dated February 9, 2004. In general the MOU requires security in accordance with JAFAN 6/0, JAFAN 6/3, JAFAN 6/4, JAFAN 6/9, Department of Army Special Access Program (SAP) Security Manuals AR 380-381, DOE Orders, standards, policies, procedures and practices. DOE will also conduct inspections and surveys in accordance with DOE regulations. When DOE and PM HBCT requirements vary, the minimum requirements of the more restrictive guidance will be followed.
- B. DOE will develop a security program based upon a Threat Statement provided by DA.
- C. DOE will use the Department of Army Special Access Program (SAP) Classification Guide and Program Security Guide or may use local guides based upon these and approved by DA.
- D. DOE will provide information copies of the following security-related documentation to DA and will obtain concurrence from DA as appropriate:
 - 1. Contracts, Orders, standards and criteria applicable to SMC operations
 - 2. Project specific procedures
 - 3. Local Operational Security (OPSEC) Plan
 - 4. SMC Counterintelligence Support Plan
 - 5. Automatic Data Processing (ADP) equipment accreditation
 - 6. Schedule of planned inspections
 - 7. Reports of reviews and inspections
 - 8. Audits and closure activities
- E. DOE will invite DA participation in all security reviews and inspections. Defense Security Service will provide oversight on all contractors in accordance with the JAFAN 6/0.
- F. DA will review and approve Special Access billets for personnel determined by DOE to require access to the program(s).

- G. DOE will use a five (5) year reinvestigation period for personnel security clearances of personnel determined by DOE to require access to program(s) in lieu of the DOE policy of every ten (10) years. All DOE personnel are subject to a Tier Review IAW JAFAN 6/4.
- H. a. If DOE is notified or otherwise made aware of derogatory information (as that term is defined under 10 CFR § 710.8 and relates to 18 USC sections 792-798, 2153, 2381, 2385, and 2387-2388 Subversion and Espionage Directed Against the US Army (SAEDA) events) relating to an accessed individual, a representative of the DOE-ID Security Division (SD) will notify the DOE SMC Program Manager by the most expeditious means that such information exists. SD will provide the SMC Program Manager specific information concerning: (1) the derogatory information developed; and (2) any actions taken or anticipated with respect thereto. The DOE SMC Program Manager will notify the DA Program Security Officer (PSO) in accordance with SAP procedure guide.
- b. If DA requests, DOE will allow DA PSO to review the subject's Personnel Security File for purposes of determining whether the subject's access to the SAP should be immediately suspended or otherwise limited pending final resolution of the derogatory information. Unless mutually agreed, copies of information in the subject's Personnel Security File will not be provided to DA. All information in this regard must be maintained by DA in a Privacy Act System of Records, and protected accordingly.
- I. DOE will provide counterintelligence support. DOE will provide support through the INL Counterintelligence Office for implementation of the SMC Counterintelligence Plan. DA will provide support to DOE through the 902nd Counterintelligence Unit as deemed necessary.
- J. DOE will report Security Incidents involving the loss, compromise, or possible compromise of ARMY or Department of Defense Component/OGA SAP information to the PSO no later than the next duty day.

IX. PROJECT OFFICERS

FOR THE DA

Project Manager
Heavy Brigade Combat Team
Department of Army

FOR THE DOE

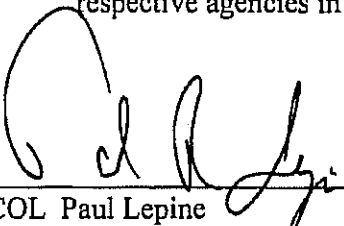
Program Manager
SMC Program Office
Idaho Operations Office
U.S. Department of Energy

X. MODIFICATION


This Agreement may be modified at any time by mutual consent of the Parties in writing.

XI. APPROVALS

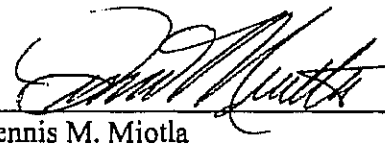
The signatories appearing below are fully authorized to represent and commit their respective agencies in the execution of this addendum.




COL Paul Lepine
Project Manager, Heavy Brigade
Combat Team (PM HBCT)
U. S. Army



Date



Dennis M. Miotla
Interim Manager
Idaho Operations Office
U. S. Department of Energy



Date

PART III SECTION J, ATTACHMENT J
SMALL BUSINESS SUBCONTRACTING PLAN
FISCAL YEAR 2011

**Idaho National Laboratory
Small Business Subcontracting Plan**

Contractor: Battelle Energy Alliance, LLC
Address: 2525 Fremont Avenue
Idaho Falls, ID 83415

Period of Performance: Fiscal Year 2011 (10/01/10 — 09/30/11)

**Total Dollars Planned to be Subcontracted Under the INL Small Business Subcontracting Plan:
\$365,000,000**

1. Introduction

Battelle Energy Alliance, LLC (BEA) is committed to supporting the small business objectives of the U.S. Government and the Department of Energy (DOE) and recognizes that diversity in subcontracting provides a vital link to the local community, strengthens the economy, and represents best business practices. This commitment is communicated through the goals outlined in the Small Business Subcontracting plan for Fiscal Year (FY) 2011 and will remain in effect for the period of performance specified above.

2. Goals

Consistent with BEA historical small business goal performance and anticipated laboratory procurement needs, 44.5% of the total dollars planned to be subcontracted by BEA from October 1, 2010 through September 30, 2011 will be subcontracted to small business.

In addition to the Small Business goal, BEA has established separate dollar and percentage goals for five socioeconomic categories; HUBZone Small Business, Small Disadvantage Business, Woman-Owned Small Business, Veteran-Owned Small Business and Service-Disabled Veteran-Owned Small Business.

Small Business Category	Percent of Subcontracting Dollars	Dollar Amount
Small Business	44.5%	\$162,425,000
Small Disadvantaged Business	5%	\$18,250,000
HUBZone Small Business	2.5%	\$9,125,000
Women-Owned Small Business	5%	\$18,250,000
Veteran-Owned Small Business	3%	\$10,950,000
Service-Disabled Veteran-Owned Small Business	3%	\$10,950,000

BEA will emphasize utilization of Idaho based businesses through the Idaho Business Concerns goal. The Idaho Business Concerns Goal includes subcontracting to small and other than small businesses with operations in the State of Idaho. The FY 2011 goal is a percentage of the total estimated procurement.

Idaho Business Concerns Goal	Percent of Subcontracting Dollars	Dollar Amount
Idaho Business Concerns	30%	\$109,500,000

3. Principal Types of Supplies and Services to be Subcontracted

The principal products and services to be procured in support of the small business subcontracting plan are those associated with an extremely diverse research and development environment and are vital to accomplishment of INL mission objectives.

BEA has established five principal procurement categories; Commodities, Construction, Equipment (major), Information Technology and Services to track and communicate opportunities. These five principal procurement categories will be presented to small businesses representing the five socioeconomic categories in the subcontracting plan.

BEA has identified primary North American Industry Classification System (NAICS) codes by Subsector in each the five principal procurement categories which BEA subcontracts under. These NAICS codes are reflected in the table below.

NAICS Subsector	Commodities	Construction	Equipment	Information Technology	Services
236		x			x
238		x			x
334	x		x	x	x
335	x		x		x
423	x		x	x	
517					x
541				x	x
562		x			x
532			x	x	

4. Method Used to Develop Subcontracting Goals

The method used to establish the small business subcontracting goals are based on historical research, industry research and internal forecasts from BEA programs. The methodology behind the goals also includes key factors based on DOE directives and current contractual obligations.

The estimated procurement volume includes all anticipated contractual agreements between BEA and external performers, excluding subcontracts involving performance outside the United States and purchases from a corporation, company, or subdivision that is an affiliate of BEA.

In formulating the FY 2011 goals, BEA performed a two-part analysis taking into account 1) the historical volume of subcontracting relative to Laboratory business volume, and 2) special project impacts affecting opportunities for subcontracting with small businesses.

The historical analysis shows that from FY 2008 through FY 2010, Laboratory business volume increased measurably each year. However, based on the Laboratory business model for FY 2011, the Laboratory business volume will be \$67 million less in FY 2011 compared to FY 2010. By applying historical averages to projected FY 2011 Laboratory business volume, BEA established realistic baseline amounts for anticipated procurement and small business volumes.

These averaged baseline amounts take into account continuing impacts to small business subcontracting such as the Nuclear Energy University Program (NEUP), a nearly \$40M impact to the procurement volume with no opportunity for subcontracting with small businesses. Additionally, in FY 2010, the INL under took an Integrated Facility Management (IFM) acquisition initiative that created a unique opportunity to support small business. Specifically \$26 million was spent on one-time Laboratory-wide infrastructure upgrades and enhancements, of which \$16 million, over 60 percent, was awarded to small business.

Based on the analysis cited above and considering the reduction in laboratory business volume and the conclusion of the \$26 million IFM acquisition initiative, BEA has determined that achieving a subcontracting goal of 50.2% would not be possible. The analysis supports a Small Business Subcontracting goal of 44.5%. BEA believes a goal of 44.5%, while still a challenge, is achievable.

Similarly, based on historical averages and the IFM impact, BEA is proposing a 2.5% FY 2011 HUBZone socioeconomic goal. Historical averages through FY 2009 suggest a goal of 2.0% - 2.5% is challenging. In FY 2010 BEA used monies available from the additional IFM acquisition initiative to target HUBZone businesses. With the conclusion of the IFM acquisition initiative in FY 2010, repeating the FY 2010 performance, let alone achieving a statutory goal of 3% would be unrealistic. BEA will strive to target HUBZone

businesses in FY 2011, continuing the trend of increasing subcontract awards within this socioeconomic category. Still, it is proposed that a 2.5% FY 2011 HubZone goal, an increase over the FY 2010 2.0% goal, is demanding and aggressive, yet appropriate.

BEA will work to improve its advanced acquisition planning with internal organizations to provide opportunities to identify procurements that could be made available to small business and use tools such as FedBizOpps to make these opportunities more widely available.

5. Method Used to Identify Potential Sources

BEA will use the following resources to target and research potential small businesses, focusing on small businesses within the established seven socioeconomic categories.

- The federal government's Central Contractor Registration (CCR) database and the U.S. Small Business Administration's (SBA) Dynamic Small Business Search database and the DOE Office of Small Disadvantaged Business Utilization (OSDBU) small business database.
- Historical procurement records from procurement actions where small businesses were successful.
- Advertise significant procurement actions externally through the INL Small Business Procurement Opportunities Web pages, DOE Acquisition Forecast, Federal Business Opportunities (FedBizOpps) Website, SBA SubNet database and Vetbiz.gov.
- Issue Expression of Interests through email, newspaper/publication advertising and/or Web site posting to seek small business interest in potential procurement actions.
- Sponsor small business matchmaking events and Focus-On forums to encourage the use of small business teaming and small business participation in subcontract award and performance.
- Use the Battelle family of DOE Laboratories (BNL, NREL, ORNL, PNNL) Small Business Program Offices and Battelle corporate Office of Supplier Diversity to research, identify and validate small business sources.
- Regional and State small business databases/directories; Buy Idaho, Idaho Economic Development Directory, Small Business Development Centers and Northwest Minority Business Council.
- Original socioeconomic databases and/or directories; National Minority and Women Owned Business Directory, VetBiz.com, etc.

- Electronic and/or hard copy small business promotional materials and correspondence.

6. Indirect Costs

Indirect costs have not been included in the dollar and percentage subcontracting goals.

7. Administrator of Subcontracting Program

The administrator of the small business program is:

Contact: Stacey Francis
Title: Small Business Program Manager
Address: PO Box 1625
Idaho Falls, Idaho 83415-1303
Email: stacey.francis@inl.gov Phone: (208)526-8564 FAX: (208)526-7743

The vision of the Small Business Program is to target, shape and retain small businesses to help create a Preeminent World-Class Nuclear Laboratory. This vision can be met through new and improved business practices such as inreach and outreach activities.

Inreach activities include communicating the Small Business Program objectives and working with internal customer base, including program and procurement personnel, to define procurement needs and collaborate on potential opportunities for small business. Outreach activities will focus on developing programs to connect the INL to external audiences, primarily small businesses.

Inreach Activities

- Work with INL Directors and program managers to communicate laboratory goals and to identify small business opportunities within the technical programs, specifically through advanced acquisition planning initiatives managed through the Small Business Office.
- Hold periodic training and other meetings with the procurement staff on the Small Business Program, company goal status, and to introduce innovative ideas on how to use small businesses for procurement activities.
- Develop useful and informative small business aides for procurement and program staff that highlight small business requirements and BEA procedures.
- Develop internal database, iSupplier to manage small businesses doing work at INL, small businesses interested in performing work at INL to provide greater access to program and procurement staff.

- Manage INL Mentor-Protégé program and coordinate with internal sponsors to identify mentoring activities and track developmental progress. Currently the INL has an active Mentor-Protégé Agreement with Portage Inc., an 8(a), SDB, Native American Idaho Small Business.

Outreach Activities

- Participate in small business trade fairs, specifically to engage small business, communicate the INL vision and mission, and promote potential procurement opportunities.
- Attend DOE-sponsored Small Business Program Manager meetings and participate in the annual DOE Small Business Conference.
- Partner with trade associations, business development organizations, and conferences to target and identify small business.
- Counsel and communicate subcontracting opportunities with potential small businesses and mentor and arrange appropriate assistance to these firms as required and practicable.
- Participate in regional and national small business and economic development conferences, including the Idaho Business Opportunity Conference, Greater Idaho Falls Chamber of Commerce Business Forums, Idaho's Association of Cities conference, and the annual DOE Small Business Conference.
- Market and promote Mentor-Protégé Program participants by highlighting Protégé information on INL external Web site, provide opportunities to participate in small business conferences as co-exhibitors and develop marketing strategies to target other customers and DOE laboratories.

8. Providing Equitable Opportunity

BEA agrees to ensure that all small businesses will have an equitable opportunity to compete for subcontracting opportunities.

BEA responds either verbally or in writing to requests received from businesses (small and large) that desire an opportunity to compete for business to the maximum extent possible.

- The Small Business Program Manager may review purchase requisitions and solicitation lists and as appropriate add small businesses as potential sources.
- Small Business Program Manager assists and encourages the program and procurement staff to identify and target small businesses using the CCR, DOE

OSDBU small business database and SBA database.

- Staff will post solicitations and forecasted procurement opportunities to the extent practicable on INL Procurement Opportunities web pages and in the DOE Acquisition Forecast website to maximize exposure to the small business community.
- When appropriate, procurements may be synopsised in FedBizOpps in an effort to locate additional qualified small businesses for participation.

9. Flow-Down Provisions

Each purchase order and subcontract issued under the BEA Prime Contract will include the applicable clauses relating to small business subcontracting at the prescribed thresholds.

BEA's approved purchasing system requires procurement staff to include mandatory small business clauses in all solicitations for negotiated procurements exceeding \$650,000 (\$1,500,000 for construction) which may offer subcontracting opportunities.

Lower-tier subcontracting plans from large business concerns will be reviewed and approved by BEA's Small Business Program Manager. The Small Business Program Manager will provide assistance in identifying potential small business opportunities and to monitor semi-annual reporting requirements.

10. Reporting and Cooperation

BEA gives assurance to (1) submit such periodic reports, as may be required by DOE or the SBA; (2) cooperate in any studies or surveys conducted by DOE or SBA; (3) submit small business subcontracting achievement data using the Individual Subcontract Reports and Summary Subcontract Reports within the Electronic Subcontracting Reporting System (eSRS); and (4) ensure that its large business subcontractors with subcontracting plans agree to input into the eSRS.

11. Record Keeping

Below is a list of records BEA will maintain to demonstrate procedures adopted to comply with requirements and goals in the Small Business Subcontracting Plan.

- A. Source lists, guides and other data that identify suppliers and vendors.
- B. Organizations contacted in an attempt to locate all categories of small business sources.
- C. Records on each solicitation resulting in an award of more than \$150,000 indicating whether small businesses within the six established socioeconomic categories were solicited and, if not, why not, and the reason for not including small business concerns in the solicitation list.

- D. Records of any outreach efforts.
 - Trade associations
 - Business and economic development organizations
 - Conferences and trade fairs to locate small business

- E. Records of internal guidance and encouragement provided to BEA personnel through various inreach activities.
 - Workshops, seminars, and training programs.
 - Monitoring performance to evaluate compliance with the program's requirements

- F. Representations and Certifications of small businesses.
 - Verification of small business size status through CCR to ensure subcontractors are certified by size and NAICS

- G. Records of formal or informal semi-annual progress reviews of goals, adjusting subcontracting opportunities as needed to ensure goals are achieved.