

STRATEGIC PETROLEUM RESERVE PROJECT MANAGEMENT OFFICE
U.S. DEPARTMENT OF ENERGY

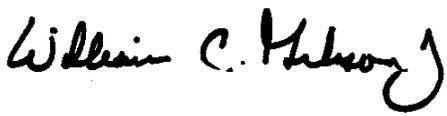
WORK AUTHORIZATION DIRECTIVE

TO

DM Petroleum Operations Company

Management and Operating (M&O) Contractor for the
U.S. Department of Energy Strategic Petroleum Reserve

1. TITLE: Technical Support and Management
2. WORK AUTHORIZATION NO.: 2012-1.T 3. REVISION: 0
4. RESOURCE REQUIREMENTS: 5. PERFORMANCE PERIOD
ESTIMATED COSTS: \$40,518,732 FROM 10/01/11 TO 09/30/12

6. DESIGNATED OFFICIAL: 

William C. Gibson, Jr.
Project Manager

7. DOE CONTRACTING OFFICER: 

Kelly M. Gele

09/08/11
Issue Date

M&O CONTRACTOR FOR STRATEGIC PETROLEUM RESERVE

Work Authorization DirectiveTechnical Support and Management - EngineeringI. DESCRIPTION OF WORK

Provide resources for engineering services in support of the Strategic Petroleum Reserve (SPR) mission, including: Design Engineering, Systems Engineering, Project Integration and Management Engineering, Maintenance Engineering, Chemical Engineering (for Vapor Pressure Mitigation) Operations/Logistics Engineering, , Configuration Management, and Drafting Services.

Perform engineering and technical efforts so that SPR requirements are transformed into integrated operational systems and assure the systems are operated in accordance with the project requirements. This shall include totally integrated effort of engineering analysis, systems engineering, process engineering, test engineering, design engineering, logistics engineering, fire protection engineering, maintenance engineering (including predictive maintenance and failure analysis), and industrial engineering in an operating process and storage facility setting to assure operations and maintenance of SPR systems, equipment, and facilities meet technical, regulatory, and performance requirements in conjunction with schedule and cost objectives. All work shall be completed on or before approved milestone date(s) and in accordance with approved estimate(s). The engineering functions also include: systems engineering, configuration management, documentation control, drawing system control, drafting services, specifications and standards library, change control, cost estimating, technical writing, software programming, software system analysis, software laboratory, and the other normal administrative/technical services necessary for an integrated and efficient engineering effort. Engineering will incorporate life-cycle cost, Environmental, Safety and Health (ES&H), Security, Process Safety Management, Process Hazard Analysis (PHA), and reliability, availability, and maintainability (RAM) elements into engineering efforts, including designs and design reviews. These efforts will ensure new systems, components, and modified systems are fully integrated into the existing systems.

The M&O contractor shall support the Strategic Petroleum Reserve Project Management Office (SPRPMO) in the integration of **all** SPRPMO program activities, including but not limited to (1) Bayou Choctaw Cavern 20 replacement project (BC-SP-760) and (2) Heat Exchanger Isolation Valve Installation at all Sites. The M&O contractor shall support the SPRPMO in the identification and analysis of all work associated with these capital projects, including the work of other organizations and prime contractors supporting the SPRPMO program in the accomplishment of associated milestones. The M&O contractor shall coordinate the integration of **all** required activities, including but not limited to the following Government agencies, contractors, etc.: Sandia Laboratories, ASRC Gulf States Constructors, LLC, and S&B Infrastructure. All contractual direction shall be through the DOE SPRPMO.

Perform system engineering/process engineering efforts in support of all SPR activities including: drawdown readiness, vapor pressure, and degassing efforts; security testing and startup; cavern storage development; oil fill, sales, and withdrawal; special studies and analyses; and the operation and maintenance of the sites, facilities, systems, and equipment. It shall provide systems performance analysis to assess the capability of process, systems, and equipment to meet performance requirements by reviewing and analyzing operational data, and analysis of any proposed systems changes. Engineering disciplines shall cover the areas required for problem resolution and associated analyses which will provide the most cost-effective and efficient solution.

Completely review and analyze all operational occurrence reports, predictive maintenance results, corrective maintenance work order results, failure analyses, Hazard Abatement items, SPR tracking and trending data, and the Department of Energy (DOE) or DM Petroleum Operations Company (DM) boards of investigation for engineering and systems analysis concerns in a timely manner. Make recommendations for maintenance changes, operational changes, system changes, and/or engineering projects, as appropriate.

Provide sound and timely engineering advice on the operability and maintainability of all aspects of engineering design and construction management. Prepare and/or maintain System Description Manuals, Site Operations Manuals and Procedures, flow diagrams, and site operations and engineering models and databases. Identify potential impacts to SPR capabilities and make recommendations as to preventative and mitigating actions, including modifications to projects, systems, and/or procedures, as appropriate.

Maintain updated plans for Systems Tests and Exercises (STEs) as required for crude oil drawdown, commissioning, administrative oil sales, and operational

demonstrations. Assist the sites in developing detailed operating procedures for the STEs. Maintain a current analysis of installed equipment to meet SPR drawdown requirements based on examination of previous drawdown demonstrations, site inventories, and RAM analysis, and identify problems. Based on these findings and those resulting from running site operations model exercises, provide timely recommendations to DOE for system changes in configuration, equipment, procedures, and/or logistics as required to (1) improve drawdown readiness, and (2) reduce downtime and the costs of operations and maintenance to ensure programmatic requirements.

Provide timely (1) guidance and technical expertise regarding the adequacy of current mission criteria and requirements, (2) support for DOE in developing business strategies designed to achieve drawdown recovery project objectives, and (3) assistance to DOE in identifying drawdown and distribution status, objectives, and philosophies. Provide technical guidance which reflects adherence and performance to Levels I, II, and III criteria and results in system/subsystem/component RAM.

Maintain a pipeline and piping assurance management plan for on-site and off-site piping and pipelines. Develop site specific action plans that support the strategies contained in the management plan. Provide timely reviews and analyses of inspections and audits of SPR pipelines to identify discrepancies/deficiencies requiring correction; make recommendations for the corrective action needed to address the identified discrepancies/deficiencies; provide instructions for the corrective maintenance of pipeline cathodic protection systems and plans for preventive maintenance of these same systems; review and provide analyses and make recommendations for the Pipeline Preventive Maintenance Program; and provide support during the procuring and installing of pipeline construction work. Provide comprehensive pipeline evaluations and recommendations for corrective actions to reflect (1) regulatory and permit requirements, (2) SPR operating history, and (3) compliance with codes and Level I, II, and III Criteria.

Develop life-cycle cost and cost benefit analyses to include trade off for potential changes to the SPR facilities and its operations.

Support SPR planning by maintaining a RAM Program that provides current identification of constraints and/or adverse trends of system operating data on the SPR's drawdown fill and security capability or system operations at each site. Based on the information provided by this program, provide recommendations to DOE for eliminating the constraints identified. Perform all reliability-related functions, and meet the requirements of the "Reliability Program Provisions for SPR Contractors" and the SPR RAM Program. Perform and/or support failure analysis report efforts.

Perform engineering designs in accordance with SPR requirements as defined in Level I Technical and Performance Criteria, Level II Performance Criteria, Level III Design Criteria, and the Control System Functional Specification to include: be the Engineer of Record (Responsible Engineer) as required. This effort shall be primarily devoted to a maintenance engineering-type effort in which design is performed on systems, equipment, and facilities to enable meeting SPR performance requirements, enhance system capability, improve reliability, or to accommodate changes in performance requirements. However, design engineering may include design efforts associated with Major Maintenance, Maintenance Construction, Cavern Replacement at Bayou Choctaw, and Vapor Pressure Mitigation projects. These design engineering efforts will generally be limited to engineering undertakings of less than 300 man-hours in duration. Design reviews shall be conducted for each design for which the M&O contractor functions as the Engineer of Record. Discrete new construction projects capable of being let by bid under formal advertising procedures will normally be designed by an Architect-Engineer (A-E) under separate contract to DOE. DM shall provide conceptual design reports (CDRs), Engineering Change Proposals (ECPs), definitive engineering scopes (DESs), and Descriptions of Work (DOWs), including justification analysis, estimated costs for design and construction, for design projects performed by the A-E contractor(s). DM shall formally present the Statements of Work (SOWs), CDRs, or DESs at the affected site(s). DM shall review A-E contractor designs at the various review stages and shall actively participate in the field and office reviews of these efforts. DM shall include reviews for ES&H and security requirements as part of the design review process.

DM shall maintain the Operational and training Software for the SPR and shall maintain the Operational Software Laboratory hardware in working order and provide software support as required when physical changes in instrumentation are made at the SPR sites. Update all documentation associated with software changes and control the software baseline in accordance with established configuration management procedures as required.

DM shall be responsible for a comprehensive PHA to independently and systematically identify potential hazards and to quantify their probability and consequence. The scope of the PHA (in accordance with Code of Federal Regulations 1910.119 Process Hazards Analysis, Subsection E) shall include the safety analysis of design and construction of new facilities and/or major modifications to existing facilities whose identified hazards will ideally be mitigated through design or operational procedures. Details of the Contractor's System Safety Program Plan shall be approved by the DOE Contracting Officer.

DM shall manage the Process Engineering System (PES) Database and use the database to plan and analyze operational activities. Ensure the data is transmitted safely and that the data is accurate and timely.

DM shall support DOE efforts in commercialization of facilities, commercial oil storage, crude oil exchanges, and Royalty-In-Kind activities as directed by DOE in design engineering, system engineering, configuration management, process engineering, project coordination and provide construction management services for projects assigned to DM.

The Contractor shall perform the following activities:

A. Engineering

1. Perform Items 2-8 of Major Maintenance WAD 1.Z for maintenance construction projects, as applicable.
2. Perform Design Reviews.
3. Prepare Conceptual Design Reports, Definitive Engineering Scopes, and Descriptions of Work, as required.
4. Planning and estimating Construction Projects, as required.
5. Liaison with the A-E, Sandia National Laboratories, Construction Management Services, and other technical stakeholders.
6. Preparation/review of ECPs, Engineering Construction Changes (ECCs), Waivers, Deviations, and Change Notices (CNs).
7. Implementing corrective actions from on-site appraisals and internal audits.
8. Process, as required, red-lines and provide timely as-built configuration.
9. Site Engineering liaison as required.
10. Perform Engineering Design tasks.
11. Engineer of Record (Responsible Engineer), as required.

12. Manage Engineering support subcontracts required to augment activities such as paint analysis, survey tasks, chemical, site subsidence surveys, and geomechanical analyses, nondestructive testing, etc.
13. Prepare analyses, issue reports, and make recommendations on Maximum Allowable Operating Pressures, repairs, and upgrades based on the results from pipeline and piping assurance program.
14. Analysis of System Performance.
15. RAM Engineering.
16. Operational and Training Software Engineering.
17. Adhere to SPR Level I, II, and III Design Criteria.
18. Adhere to SPR ES&H and Security requirements.
19. Adhere to Maintenance of SPR Control System Functional Specification.
20. Support Startup and Acceptance Testing, Performance Testing, and Operational Demonstrations.
21. Perform and support Safety and Failure Analysis efforts (including PHA).
22. Perform Fire Protection Engineering support.
23. Prepare Site Mechanical and Electrical Operations Manuals and Procedures, as required.
24. Support Recovery Plan Implementation, as required.
25. Prepare and issue System Description Manuals Updates.
26. Perform engineering reviews.
27. Review data from the corrective maintenance program and analysis for RAM.
28. Analyze and enhance engineered Preventive Maintenance requirements, as required.

29. Analyze results from and develop enhancements for the Predictive Maintenance Program, as required.
30. Maintain PES Database and employ data for system performance, failure analysis, engineering issues to include supporting of drawdown and fill mission performance.
31. Ensure that discrete work packages assigned to DM are scheduled and interim milestones are established.

B. Configuration Management

1. Identify, control, and record changes (ECP, ECC, Deviation, Waiver, CN) to all systems hardware, software, and equipment.
2. Manage Technical Data Center and maintain SPR Technical Baseline original documents in paper and/or electronic or digital form. These baselines include but are not limited to Level I, II, and III Criteria, Standard Specifications, Site Systems Description Manuals, technical baseline drawings, drafting manuals, Site Operations Manuals, Control System Functional Specification, and as-built configuration and vendor data.
3. Provide assistance for reproduction services, standards, manuals, serials, subscriptions, and publications, Federal rules decisions, environmental reports, constructions estimating standards, Federal codes, and State-wide Orders.

C. Planning and Scheduling

1. Develop and maintain SPR project baseline schedule, integrated where required, including, but not limited to, construction, major maintenance, security enhancement, vapor pressure, cavern integrity, SPR expansion, and site schedules. Site schedules will place emphasis on maintaining SPR drawdown and fill readiness (consistent with Level 1 criteria).
2. Provide preparation and maintenance support for all SPR milestone actions including CMCR preparation, milestone tracking and reporting, milestone closeout, and variance analysis.

3. Provide schedule interface and milestone maintenance, as required by DOE, for SPR-related schedules outside of O&M associated schedules (such as DOE milestones, A-E interfaces, Construction Management Services contractor, etc.).
4. Develop and maintain resource-loaded schedules, as required by DOE, for the purpose of analyzing performance on a task or project.

D. Construction Management

1. Provide Construction Management services for operations and maintenance activities as required.

II. DELIVERABLES

Deliverables include the following:

<u>Deliverable (E = Electronic via Link to a Document Management System, H = Hardcopy)</u>	<u>Due</u>
1. Weekly Engineering Status Report (E)	Weekly (9 a.m. Monday)
2. RAM Assessment Report (E)	Quarterly (As Milestoned)
3. Report of ECPs subject to cancellation or renewal (E)	As Required
4. Annual Pipeline and Piping Integrity Report (E)	Annually by October 30 for Previous Fiscal Year
5. Brine Line Flow Integrity Test Results and Report (E)	As Required
6. Conceptual Design Reports, Descriptions of Work, and Definitive Engineering Scopes for review, comments, and concurrence (E)	As Milestoned
7. Failure Analyses (E)	As Required
8. Configuration Management documents for approval (ECPs, CNs, Deviations, Waivers, etc.) (E)	As Required

<u>Deliverable (E = Electronic via Link to a Document Management System, H = Hardcopy)</u>	<u>Due</u>
9. Mechanical and Electrical Operations Procedures and Manuals Updates Notification (E)	As Required
10. System Description Manuals Updates Notification (E)	As Required
11. Corrective Maintenance Plans (E)	As Required
12. PHA (E)	As Required
13. Life Cycle Cost and/or Benefit Analyses (E)	As Required
14. Cost Estimates, Cost Estimate Report, and History via Construction Cost Tracking Application (CCTA) (E)	As Required
15. Systems Performance Analysis and Reports (STEs, Drawdowns, etc.) under separate cover (E)	As Required
16. Vapor Pressure Analyses (E)	As Required
17. PES Database Management Plan (E)	Every 5 years (February 1, 2014)
18. Detail Schedules (Cavern Integrity, Major Maintenance Projects assigned to DM, Vapor Pressure, RIK, etc.) (E)	As Required
19. Maintenance Construction Deliverables per Major Maintenance WAD 1.Z	As Required

III. PERFORMANCE MEASURES

See Attachment 1.

M&O CONTRACTOR FOR STRATEGIC PETROLEUM RESERVE

Work Authorization DirectiveTechnical Support and Management - Quality AssuranceI. DESCRIPTION OF WORK

The Contractor will assign and identify a senior management position who shall have the responsibility, authority, and accountability to ensure the development, implementation, assessment, maintenance, and improvement of their Quality Assurance Program (QAP).

The Contractor shall establish and maintain a comprehensive QAP (also could be referred to as a Quality Management System (QMS)). The scope of this program will include the activity of all Contractor employees and shall not be limited solely to the duties of a Contractor's Quality Assurance Office. The Contractor's QAP shall implement the management, performance, and assessment criteria as defined in DOE O 414.1D, "Quality Assurance." Such criteria will include the management program, personnel training and qualifications, quality improvement, documents/records, work processes, design, procurement, inspection and acceptance testing, management assessments, and independent assessments. The Contractor's QAP shall also be developed using the International Standards Organization (ISO) 9001 industry-wide consensus standard. Additional QA guidance to be utilized in the development of the Contractor's QAP include DOE G 414.1-2A, "Quality Assurance Management System Guide," and DOE G 414.1-1B, "Management and Independent Assessments Guide."

The Contractor shall establish, document, and implement a Suspect/Counterfeit Item (S/CI) prevention program, as a part of the Contractor's QAP and as mandated by DOE O 414.1D. The S/CI program must have effective controls and processes that will ensure items and services for the SPRPMO meet specified requirements; prevent entry if S/CI into the SPR's supply chain; and ensure detection, control, reporting, and disposition of S/CI's. The QAP shall also utilize the guidelines listed in DOE G 414.1-3, "Suspect/Counterfeit Items Guide."

The Contractor will establish and maintain a comprehensive and integrated Contractor Assurance System (CAS) program in accordance with QA requirements mentioned above and will address the criteria described in DOE O 226.1B, "Implementation of DOE Oversight Policy." The CAS program will address the

following aspects of operations: environmental, safety and health, security, cyber security, emergency management, and quality assurance.

The Contractor will be responsible for flowing down all DOE requirements to subcontractors.

The Contractor will be responsible for random surveillances of the Construction Management Services (CMS) activities and other work performed by their subcontractors. Discrepancies and non-compliances will be reported to the DOE Senior Site Representative, the Quality and Performance Assurance Division (QPAD) Director, and the CMS Site Construction Coordinator.

II. DELIVERABLES

Dates are indicated where feasible. However, should one of the below dates become inconsistent with an official milestone, the milestone shall govern. Documentation submitted for deliverables identified below will be evaluated against the criteria, review, and approach documents (CRADs) developed by the Office of Health, Safety and Security, where applicable.

Deliverables include the following:

<u>Deliverable (E = Electronic via Link to a Document Management System, H = Hardcopy)</u>	<u>Due</u>
<u>Management Program:</u>	
Letter Identifying Senior Manager Responsible of QAP for review/approval (annual) (E)	October 14, 2011
Review QAP and submit summary of annual review, including all QA procedures and work instructions referenced in the QAP (e.g., OA Procedures, PI Procedure, QMS Procedure, and S/CI Procedure,) (annual) (E)	January 6, 2012
QAP Management Summary Report (annual) (E)	September 28, 2012
ISO 9001 Registrar Audit/Surveillance Report to indicate continued certification (annual) (E)	Within 3 working days of receipt

Deliverable (E = Electronic via Link to a Document Management System, H = Hardcopy)

Due

Training / Qualifications:

QA Evaluation Report of the Contractor's Personnel Training and Qualifications Program (semiannual) (E)

April 6, 2012 (2nd Qtr)
September 28, 2012 (4th Qtr)

Quality Improvement:

Quality Improvement Program Status (quarterly) (E)

January 6, 2012 (1st Qtr)
April 6, 2012 (2nd Qtr)
July 6, 2012 (3rd Qtr)
September 28, 2012 (4th Qtr)

Documents & Records:

QA Evaluation Report of Contractor's Documents & Records System (semiannual) (E)

April 6, 2012 (2nd Qtr)
September 28, 2012 (4th Qtr)

Work Processes:

QA Evaluation Report of the Contractor's RAM Activities (semiannual) (E)

April 6, 2012 (2nd Qtr)
September 28, 2012 (4th Qtr)

QA Evaluation Report of the Contractor's Conduct of Operations (semiannual) (E)

April 6, 2012 (2nd Qtr)
September 28, 2012 (4th Qtr)

QA Evaluation Report of the Contractor's Drawdown Activities (semiannual) (E)

April 6, 2012 (2nd Qtr)
September 28, 2012 (4th Qtr)

QA Evaluation Report of the Contractor's Crude Oil Quality Program (semiannual) (E)

April 6, 2012 (2nd Qtr)
September 28, 2012 (4th Qtr)

QA Evaluation Report of the Contractor's Maintenance Management Program (semiannual) (E)

April 6, 2012 (2nd Qtr)
September 28, 2012 (4th Qtr)

QA Validation of Site Activities (including subcontractors and CMS) (semiannual) (E)

April 6, 2012 (2nd Qtr)
September 28, 2012 (4th Qtr)

Design:

QA Review of Design Documents (including design reviews and ECPs) (semiannual) (E)

April 6, 2012 (2nd Qtr)
September 28, 2012 (4th Qtr)

Procurement:

QA Evaluation Report of DM's Procurement Activities (semiannual) (E)

April 6, 2012 (2nd Qtr)
September 28, 2012 (4th Qtr)

Deliverable (E = Electronic via Link to a Document Management System, H = Hardcopy)

Due

Inspection & Testing:

QA Evaluation of DM's Inspection and Acceptance Testing Activities (semiannual) (E)

April 6, 2012 (2nd Qtr)
September 28, 2012 (4th Qtr)

Management Assessments:

FY 2011 Management Assessment Schedule (annual) (E)

August 1, 2012

Management Assessment Plan which includes all areas to be assessed (E)

October 31, 2011

Final Management Assessment Report for each area assessed (E)

Within 30 calendar days after completion of each assessment

Management Assessment Program Summary Report (annual) (E)

September 28, 2012

Independent Assessments:

FY 2011 Organizational Assessment (OA) Schedule (annual) (E)

September 14, 2012

OA Assessment Plan for each site assessed (E)

No later than 14 calendar days prior to assessment

Final OA Appraisal Report for each site assessed (E)

Within 30 calendar days after completion of each assessment

Open OA Findings Status Report/Log (E)

Within 3 working days following the end of each month

Summary OA Program Report (annual) (E)

September 28, 2012

Deliverable (E = Electronic via Link to a Document Management System, H = Hardcopy)

Due

Suspect/Counterfeit Items (S/CI):

S/CI Program Status Report (quarterly) (E)

January 6, 2012 (1st Qtr)

April 6, 2012 (2nd Qtr)

July 6, 2012 (3rd Qtr)

September 28, 2012 (4th Qtr)

Contractor Assurance System (CAS):

CAS Program Documents for review/approval (annual) (E)

October 5, 2011

CAS Program Status and supporting documentation which meets the governmental prescriptive requirements for each oversight area – Safety and Health, Environmental, Security, Cyber Security, Emergency Management, and Quality Assurance (quarterly) (E)

Within 3 working days following the end of each quarter

CAS Management Summary Report (annual) (E)

September 28, 2012

III. PERFORMANCE MEASURES

See Attachment 2.

M&O CONTRACTOR FOR STRATEGIC PETROLEUM RESERVE

Work Authorization DirectiveTechnical Support and Management - Project ManagementI. DESCRIPTION OF WORK

Contractor ensures that all technical and administrative program functions are planned, controlled, directed, analyzed, documented, presented, and reported in a disciplined, cost-effective, timely manner.

A. Management of Contract Activities

Administrative and technical programs are conducted in a manner that will:

1. Maintain the SPR's drawdown readiness procedures.
2. Eliminate unnecessary risks.
3. Create a work environment that will ensure effective uninterrupted facilities operations.
4. Actively review, identify, and communicate to DOE management activities that could impact current or future operations of the SPR.
5. Establish and maintain DOE and public confidence in the management of the SPR.
6. Improve the economy, efficiency, and effectiveness of contract performance.

Place specific emphasis on maintaining SPR drawdown readiness (consistent with Level 1 criteria) and compliance with all relevant Environmental, Safety and Health and Equal Employment Opportunity statutes and regulations.

The Contractor shall prepare and submit the performance self-assessments as outlined in the list of deliverables.

B. Project Planning and Control

1. Develop, implement, and maintain a management control system in accordance with DOE guidelines and SPR-related Orders and directives (DOE Order 413.1B, Internal Control Program).
2. Assure that the electronic management of Project/Program Review action items is maintained in a current status and the data report is completely accessible to DOE.
3. Ensure that all work assigned by WADs under the contract are properly assigned within the Contractor's organization structure and contract work breakdown structure.
4. Ensure that all work assigned by WADs is planned, in accordance with the appropriate Departmental, Federal, State, and local regulations.
5. Ensure that work package budgets are formulated using established estimating techniques. When reasonable and cost effective, work packages should include all costs by cost elements.
6. Support the development and maintenance of the Annual Operating Plan in accordance with DOE/SPR guidance and specifically in accordance with SPRPMO O 130.1B Change 1, M&O Contractor's Annual Operating Plan Formulation and Execution. The Annual Operating Plan is to include obligation and cost plans.
7. Support Annual Operating Plan (Obligation and Cost) performance analysis documentation, and reporting in the Project Status Report and Project Reviews, and special meetings in accordance with DOE guidance.
8. Maintain an updated SPRPMO M&O Work Breakdown Structure for all applicable projects.
9. Maintain an updated SPRPMO M&O Project System Description.

C. Legal Services

1. Provide legal advice and assistance in support of contractor functions and to DOE as directed by the Contracting Officer and/or Realty Officer.
2. Support preparation of documents.
3. Assist in defending claims and suits, involving DOE when requested.
4. Provide legal support to pursue and defend against claims and suits, including warranty actions, consistent with contractual requirements and your approved litigation management procedures, including submission of outside counsel billings for DOE approval.

D. Communications and Public Affairs

1. Manage an effective communications and public affairs function in support of drawdown readiness and emergency operations, including participation in all exercises and reviews and execution of requisite training for pertinent individuals.
2. Perform duties in connection with media and public contacts and inquiries. This includes support in preparing for interviews, issuing press releases, maintaining current footage, updating presentation material, coverage at public hearings, community activities, and participating in communications programs, as requested by DOE.
3. Plan and administer an effective community outreach program consistent with contract provisions.
4. Maintain a current media library comprised of material to be used for exhibits and presentations. Provide support in arranging exhibits and designing presentations.

E. Miscellaneous Services

1. Provide support for all activities and initiatives required for conducting the operations of the SPR involving programmatic capability, capacity, mission or initiatives changes, and associated responsibilities such as investigations and assessments.
2. Provide a Records Management Program in accordance with DOE Order 243.1, including RIDS and electronic records management capabilities.
3. Provide Printing Management in accordance with the Government Printing and Binding Regulations.
4. Provide Graphics and Photography Services in accordance with customer requests and requirements.
5. Manage an effective risk management and liability program as required by law or regulation and in compliance with contract requirements.

F. Site Support

Provide technical, management, and administrative support for site functions covering all disciplines.

G. Site Management

Includes overall management to accomplish the mission of oil storage, drawdown, and continued site readiness. Provide for the overview, monitoring, and coordination of site activities with New Orleans directives, instructions, and policies, and interfaces with DOE site counterpart.

II. DELIVERABLES

Deliverables include the following:

Deliverable (E = Electronic via Link to a Document Management System, H = Hardcopy)

Due

A. Quarterly Project Review Material and Presentation (E) and (H)

To Be Determined

<u>Deliverable (E = Electronic via Link to a Document Management System, H = Hardcopy)</u>	<u>Due</u>
B. Litigation Monthly Status Report (H)	Within 14 calendar days of the end of the month being reported
C. Planned Cost versus Actual Cost Variance Explanation (Legal) Report (H)	Within 14 calendar days of the quarter being reported
D. Annual Community Outreach Plan (E) and (H)	November 1
E. Annual Diversity Plan (E) and (H)	August 31
G. Annual update of SPR Blue Plate Presentation (Slide Show – (E), Video – (H))	June 30
H. Biennial Review of SPR Video (E)	August 31
I. Proposed Insurance Program (E)	Annually (45 days after implementation if corporate sponsored or 5 days prior to implementation if third-party sponsored)
J. Report of Liability Experience Pursuant to DOE O 350.1 Change 1 (E)	Annually (Within 90 days of the close of policy year)
K. Report of General Liability Claims/Settlements (E)	On Occurrence and Quarterly (Within 30 days of the close of the quarter)
L. Quarterly Self-Assessments (E), as applicable	5 workdays after end of each evaluation period

III. PERFORMANCE MEASURES

None.

M&O CONTRACTOR FOR STRATEGIC PETROLEUM RESERVE

Work Authorization DirectiveTechnical Support and Management - Information TechnologyI. DESCRIPTION OF WORK

Manage, operate, and maintain computer services, telecommunication services, office automation, software engineering, and information systems (e.g., Enterprise Resource Planning, SPR Mission-Related Applications such as Sales Offer Evaluation Program (SOEP) and Crude Oil Sales Offer Program (COSOP), Document Management, Collaboration, E-mail, etc.) required to support the mission and goals of the SPR. The information technology and communications functions shall be performed in compliance with the current approved Technical Baseline infrastructure and pertinent DOE Orders and SPR Orders and procedures, the Federal Information Resources Management Regulations, and DOE Chief Information Officer Information Architecture Standards as adopted by SPR.

DM shall:

- A. Operate and maintain the business application and database servers, peripheral hardware, and associated software; manage and backup information to ensure data integrity and availability; conduct performance analyses, capacity planning, and configuration management tasks to ensure adequate, current resources; provide consultation services; maintain current operating systems software; and maintain a list of physical inventory items that are procured and/or turned over to DM to manage. Migrate to more automated systems of Information Technology-oriented configuration management (CM) for software, hardware, and cyber security, and continue the Information Technology Project Portfolio effort.
- B. Operate and maintain the Network Infrastructure consisting of wide-area network file/print servers, virtualized server farm, Internet, and fax servers, and related routers, switches, and other communications equipment. Plan for the implementation of Homeland Security Presidential Directive-12 (HSPD-12) Logical Access at the domain level. Infrastructure support will include at a minimum operation and maintenance of local and site telephone systems, cellular services, video conferencing, video bridge, and data communications facilities to include install, move, add, and change tasks for all sites; issue

service orders and coordinate Federal Telecommunications System (NETWORX), and leased-line service; coordinate trouble reports; monitor network facilities to assure availability, operating efficiency, incorporating the use of SCOM for server to application monitoring, and adequate bandwidth capacity to the sites; minimize unplanned network downtime; perform routine analysis to minimize misuse of telephone resources; and maintain associated equipment inventory and circuit inventory.

- C. Provide Personal Computer (PC), Thin Client Appliances, and Local-Area Network (LAN) and Wide Area Network (WAN) support by responding to requests for acquisition, developing requirements, installation of PCs and networks, including performance tuning of networks. Provide Help Desk service and fully support standard SPR PC software suite. Provide LAN administration and network management for all SPR networks; provide preventive and corrective maintenance for all PCs and LANs; make required upgrades and maintain a complete library along with an appropriate level of configuration control on all SPR Data Systems infrastructure. Maintain and continue to develop the capacity for secure telecommuting at the SPR. Provide adequate assurance that approved Information Technology requests for new Automated Data Processing hardware, software, or services are processed as necessary to support the SPR mission.
- D. Support the SPR computing needs by continuing the developing and/or acquiring and implementing additional functionality of computer applications service on the Enterprise Resource Planning System. Activities include advising users on the computing capabilities, requirements definition, design, program development, acquisition, implementation, and maintenance of applications. This support will complement and incorporate the Content Management effort which will proceed toward implementation. Continue to develop a Middleware tier architecture utilizing web services to minimize custom integrations between applications to support a seamless enterprise architecture supporting a user portal interface and single sign-on network login. Continue efforts to drive additional value from and utilization of the Systems, Applications, and Products (SAP) solution. Develop an implementation plan/program to implement the agreed list of SAP improvement recommendations in the 2010 GROM study.
- E. Implement a SharePoint Centric Content Management System application to perform combined Records Management and Document Management functions and execute the necessary integration between this system and the other corporate systems, other Content Management Applications (until replaced), and SAP. Incorporate SharePoint as the collaborative and

document management phase of the Content Management process. Plan for the retirement of Konfig utilizing the Product Lifecycle Management Module and retire Documentum as scheduled.

- F. Implement and administer a security program for classified, unclassified, and unclassified sensitive information in accordance with DOE Orders; maintain and submit revisions to SPR System Security Plans (SSPs); maintain program documentation; implement and perform continuous monitoring and periodic risk assessments and vulnerability assessments in accordance with the current Program Cyber Security Plan (PCSP) and Federal Information System Management Act (FISMA) reporting requirements; review new releases of the PCSP and create an impact assessment report for the implementation plan within 60 days; meet PCSP plan of action and milestone (POAM) scheduled completion dates; provide annual security awareness training; perform periodic information security audits to ensure compliance with PCSP. Provide protection from Internet intruders infiltrating the SPR network, patch operating system (OS) and application vulnerabilities per the SPR Vulnerability Management Procedure, and provide for protection of SPR sensitive data to include Protected Personally Identifiable Information (PII). Develop and maintain a disaster recovery/contingency backup plan and operations; this will include the Stennis Alternate work site and the Alternate Data Center (ADC). Prepare an SPR Cyber Security Program Plan as an umbrella document to coordinate the SSPs and other cyber security-related documents as appropriate. Execute continuous monitoring and control testing per the PCSP.
- G. Continue performance-based training (training oriented to that required to perform their job duties) for Information Technology personnel and maintain appropriate level of certification for the help desk staff, network engineers, programmers, and cyber security personnel. Support user training and user self help to further the change management process required when implementing new systems. Indicate innovation as a core value in employees and in planning IT solutions (e.g., embrace cloud computing, social networking tools, IP-based phone switch, etc., as appropriate).
- H. Plan, budget, and acquire information systems, applications, and tools that support SPR information systems and telecommunications requirements using an appropriate Information Technology configuration management process. Prepare and maintain the SPR Information Technology Long-Range Plan (LRP), prepare budget submittals consistent with the LRP, and prepare the M&O contractor portion of the OMB Exhibit 53's as required (annually). An Acquisition Strategy shall be prepared and submitted to DOE for all

acquisitions exceeding \$250,000 prior to beginning the acquisition procurement process. For all acquisitions less than \$250,000 but more than \$50,000, an Acquisition Summary shall be submitted to DOE before the procurement process. The Contractor shall support and participate on the SPR Information Technology Planning Committee (ITPC) and, as requested, participate in the Information Management Council. Working through the ITPC, the Contractor shall develop and maintain the standard SPR software list.

- I. Make continuously available to DOE Information Systems and Technical Services staff: Access to Help Desk Management software, Information Technology equipment Software Inventory, and the Information Technology Project Schedules, and appropriate outputs of the Microsoft System Center Solutions as implemented.
- J. Contractor must adequately and timely address all audit and review findings and ensure compliance with DOE O 205.1B or the most recent guidance included as a contract requirement.

II. DELIVERABLES

Deliverables include the following and shall be electronic unless hard copy is requested:

<u>Deliverable (E = Electronic via Link to a Document Management System, H = Hardcopy)</u>	<u>Due</u>
1. Information Management Crosscut (E)	Initial 2 nd Week in March Final 2 nd Week in April (Annually)
2. Initial Draft of Information Technology Long-Range Plan (E)	Annually, February 15
3. Initial Draft of Cyber Security Program Plan (E)	Annually, February 15
4. Information Technology Long-Range Plan (E)	2 nd Week in April (Annually)
5. End-User Computing Device Hardware Standards (E)	As Required
6. DS Fixed Asset Hardware Inventory (E)	As Required

<u>Deliverable (E = Electronic via Link to a Document Management System, H = Hardcopy)</u>	<u>Due</u>
7. Review and Updated System Security Plans (E)	Annually, September 1
8. SPR Cyber Security Program Plan (E)	2nd Week in April (Annually)
9. Project Schedules for projects of durations greater than 2 months or 80 man-hours (E)	View Access to DS Project Schedules Monthly
10. ADC and Stennis Alternate Work Site Test (E)	Annually (before May 15)
11. Distributed Control System (DCS) Validation Test (E)	Annually (before June 1)
12. Publish SPR-wide Cyber Security Training (E)	March 31 (Annually)
13. WAN Circuit Inventory (E)	November 30 (Annually)
14. Cyber Security Intrusion Detection System, Active Scout, and SIEM Reports (E)	Weekly
15. MicroCall Report of Long Distance Usage (E)	Monthly
16. Record all audit findings in the SPR ATS and create Corrective Action Plan(s) (CAP(s)) as required. Schedule actions in SPR Plan of Action and Milestones (POA&M) System as required (E)	30 days from Receipt of Report
17. Vulnerability Management and Prohibited Use Report to DAA	Monthly
18. PCSP Impact Assessment Report	60 days from release of a new version of the PCSP
19. Network Incident Report for Outages during Normal Business Hours that Impact SPR Business Applications (E)	As Incidents Occur

<u>Deliverable (E = Electronic via Link to a Document Management System, H = Hardcopy)</u>	<u>Due</u>
20. Weekly Status Report (E)	Before close of business Tuesday of each week
21. Cyber Security Awareness Newsletter (E)	Quarterly
22. Data Calls (E)	By Headquarters due date defined for each Data Call
23. PEMP Project Support – Measurement Report Summary (E)	Monthly

III. PERFORMANCE MEASURES

See Attachment 3.

M&O CONTRACTOR FOR STRATEGIC PETROLEUM RESERVE

Work Authorization DirectiveTechnical Support and Management - Financial ManagementI. DESCRIPTION OF WORK

Provide financial management functions to assure that those items addressed in the work statements and requirements are accomplished in an efficient manner, provide for continuity of operations, plan for future needs, and establish confidence and credibility for the SPR.

As it relates to accounting and budgeting, develop, implement, and maintain a management control system in accordance with DOE Order 413.1B, Internal Control Program.

Assure the following general accounting and financial reporting requirements are met:

- A. Establish and maintain a financial management system and financial procedures, to include at a minimum, general, expense, and subsidiary ledgers, and related chart of accounts to ensure the submission of accurate and timely financial data to meet DOE reporting requirements and to ensure compliance with the DOE Accounting Handbook.
- B. Perform cash management activities, including the administration of banking agreements, reconciliation of bank accounts, and timely processing and collection of receivables.
- C. Prepare and submit reports to meet customer and internal reporting requirements.
- D. Issue all billings and related transfer statements and analyze and reconcile all financial transactions with other integrated contractors and DOE.

- E. Maintain one cost account system for crude oil.
- F. Provide other accounting data/reports as needed to support DOE oversight.
- G. Formulate and manage a control system designed to certify funds availability before entering into a financial commitment without the obligations necessary to fulfill that commitment.
- H. Maintain and manage a control system designed to capture all financial transactions related to property and inventory, including property and inventory purchased through DOE Direct contracts. System shall ensure that correct capitalization and depreciation processes are in place and generally accepted accounting procedures for recording costs and evaluating assets are followed.
- I. Establish and maintain a financial management system that conforms to Generally Accepted Accounting Principles (GAAP), pronouncements of the Federal Accounting Standards Advisory Board (FASAB), and Cost Accounting Standards (CAS).
- J. Maintain 100 percent of cost ceiling compliance.
- K. Execute 95 percent of the approved FY 2012 obligation plan inclusive of all obligation changes resulting from approved Baseline Change Request during the fiscal year.
- L. Prepare and submit by the 5th workday of every month, a current listing of open Construction Work in Progress items to DOE Finance and DOE's Support Services Contractor for review. Any discrepancies will be resolved by the 15th workday.
- M. Prepare and post electronically by the 10th day of each month the analysis of the Cost Proposal Reduction Plan identifying the projected estimate at completion. Additionally, provide the accompanying variance explanation for the analysis.

In order to fulfill accounts payable and travel requirements, the following tasks must be accomplished:

- A. Verify the validity of supplier invoices against related purchase orders or subcontracts and process payments in a timely manner.

- B. Process payments for all plant operating expenditures.
- C. Monitor travel expense vouchers against Prime Contract requirements and process for payments, ensuring compliance with annually issued GSA per diem updates.

The following Budgeting activities are required:

- A. Coordinate preparation, submission, and execution of all annual budget request documents, including Base Case request, budget modules, construction budget, and crosscut budget data consistent with DOE Order 130.1, Budget Formulation Process, ensuring compliance with prescribed DOE and PMO budget guidance.
- B. Develop and issue labor and fringe rates for budget requirements.
- C. Prepare and submit impact assessments for “what if” scenarios as required.
- D. Review and assist in preparation of requests for project authorization.
- E. Maintain a work package database supporting the annual budget request.
- F. Maintain a work package database supporting the monthly budget execution in the Project Status Report.
- G. Develop and submit to DOE the Annual Operating Plan (AOP) to include Obligation and Cost Plans. Compliance with SPRPMO Order 130.1B Change 1 dated March 14, 2005, M&O Contractor’s Annual Operating Plan Formulation and Execution must be ensured.
- H. Prepare and issue comparative cost analysis reports monthly. Comparative obligation reports are to be prepared and submitted to DOE quarterly.
- I. Maintain a work package database supporting interim and final Revised Cost Plan submittals.
- J. Provide other budget data reports as needed to support Internal Review, Office of Management and Budget, Congressional Budgets, and DOE oversight.
- K. Provide overall management of business activities.
- L. Support implementation of DOE-accepted Budget Reengineering initiatives.

- M. All budget deliverables will contain the written analysis that was used to create the document.

II. DELIVERABLES

Deliverables include the following:

<u>Deliverable (E = Electronic via Link to a Document Management System, H = Hardcopy)</u>	<u>Due</u>
General Services Administration Fuel Billings (SF 1080) (H)	8 th Workday (Monthly)
Automated Standard Application for Payment (ASAP) Summary (E)	1 st Workday (Monthly)
Standard Accounting and Reporting System (STARS) Data (E)	Noon 2 nd Workday (Monthly)
Reconcile Integrated Contractor (IC) trial balance to General Ledger (GL) (E)	15 th of each month
Accounts Receivable 220-9 (E)	5 th Workday of 1 st Month of Quarter
Financial Plan Analysis (E)	5 th Workday after Issuance of Financial Plan (Monthly)
Annual Financial Reports and Analysis of Financial Statements (E) and (H)	On or about October 13 (Annually)
Deposit and Disbursement Reports (E)	1 st Workday (Monthly)
Budget Request (E) and (H)	In accordance with the annual Budget Request Guidance
Project Status Report (PSR) (E)	On the 15 th Workday (Monthly); Variances due on the 15 th Workday (Quarterly)
Annual Statement of Cost Incurred (formally known as VANEAs) (H)	November 12 (Annually)
Annual Operating Plan (AOP) (E) and (H)	As established by the AOP Schedule of Activities
Cost Reduction Performance Measure Analysis	10 th of each month

<u>Deliverable (E = Electronic via Link to a Document Management System, H = Hardcopy)</u>	<u>Due</u>
Contingent Liabilities (E)	15 th Workday of 1 st Month of Quarter (October, January, April, July)
Report of Crude Oil Inventory by Valuation and Trial Balance (H)	15 th Workday (Monthly)
Obligation Plan Updates and Variance Analysis (E) and Latest Revised Estimates (E)	Submitted in conjunction with submittal of PSR in March 2012, June 2012, and August 2012
Institutional Cost Report (E)	On or about 30 th day following the end of a quarter (Quarterly)
Construction Work in Progress – Listing of Open Items (E)	5 th Workday (Monthly)
Commercial Banking Statistics (H)	12 Working Days after Quarter End (Quarterly)
Letter of Credit Pricing Calculation Worksheet (E)	Within 24 Hours of Contract Execution for Exchange and Royalty-In-Kind Programs and Within 24 Hours of Execution of the Notification of Apparently Successful Offeror for Sale Drawdowns
Purchase Request (PR)/Purchase Order (PO) Aging Analysis Report (E)	Submit on a quarterly basis, December, March, June, and August, on the last day of the month with justification as to why any PO older than 180 days and any PR older than 90 days are still open and what actions are being taken to close them
Annual analysis of execution of obligations vs. the Final AOP baseline and beginning uncosted obligation balance	Submit by October 15

III. PERFORMANCE MEASURES

See Attachment 4.

M&O CONTRACTOR FOR STRATEGIC PETROLEUM RESERVE

Work Authorization DirectiveTechnical Support and Management - Procurement/ContractsI. DESCRIPTION OF WORK

The Contractor shall develop and maintain a general purchasing activity for the purpose of entering into subcontracts for the performance of work required to support the SPR. The Contractor shall acquire equipment, services, supplies, and publications, not otherwise listed as Government-furnished, to perform the functions covered by the contract. These acquisitions and services shall also support DOE and other SPR contractors as directed by the Contracting Officer. The Contractor shall subcontract for construction requirements to support maintenance and operations, including the approved construction program.

As applicable, the Contractor shall adhere to the requirements of Federal and DOE acquisition regulations, directives/policies, as well as DOE-approved company procedures and policies. The Contractor shall develop and maintain procurement policies and procedures, approved by the Contracting Officer, necessary to implement effective and efficient commercial practices. The Contractor shall maintain an approved Balanced Score Card Program in order for the Contracting Officer to assess the adequacy of the Contractor's purchasing system.

The Contractor shall perform effective management, administration and oversight of all issues related to Contract No. DE-AC96-03P092207 as required to ensure the timely dissemination of all performance direction received from the Contracting Officer to all DM organizations as well as a thorough review of such direction to ensure that all actions are implemented in accordance with the contractual requirements and the prime contract Work Authorization Directives. The Contract Management function shall also be responsible for management and negotiation of the DM award/incentive fee pool, and management of the Contractors Membership, Registration, and License Budget.

II. DELIVERABLES

Deliverables include the following:

<u>Deliverables (E = Electronic via Link to a Document Management System, H = Hardcopy)</u>	<u>Due</u>
Socioeconomic Subcontracting Goals (E)	Annually (September 1)
Subcontracting Report for Individual Contracts (E)	Semiannually (October 30 and April 30)
Summary Subcontract Report (E)	Annually (October 30)
FY 2011 Balanced ScoreCard Final Report, including the FY 2012 Balanced ScoreCard Self-Assessment Plan (E)	Annually (October 30)
Davis-Bacon Report Work Force Information System (WFIS) (E)	Semiannually (October 5 and April 5)
Membership, Registration and License Budget Request (E)	Annually (July 31)

III. PERFORMANCE MEASURES

See Attachment 5.

M&O CONTRACTOR FOR STRATEGIC PETROLEUM RESERVE

Work Authorization DirectiveTechnical Support and Management - Property ManagementI. DESCRIPTION OF WORK

The Property Management resources are based on the Fiscal Year 2011 Contract Budget Base and support property management activities in New Orleans, including Stennis Space Center, Mississippi, and the following SPR oil storage and distribution facilities:

- A. Bayou Choctaw, Iberville Parish, Louisiana.
- B. West Hackberry, Cameron Parish, Louisiana.
- C. Big Hill, Jefferson County, Texas.
- D. Bryan Mound, Brazoria County, Texas.

The contractor shall maintain and administer a property management system for personal property, real property, and all Government-owned, rented, or leased motor equipment, motor vehicles, watercraft, and aircraft. This property system is subject to the approval of the Contracting Officer. It shall be in accordance with sound business practice, DOE Order 580.1, DOE Personal Property Management Program, DOE Order 430.1B, Real Property Asset Management, Federal and DOE Property Management Regulations, and such directives or instructions that the DOE Contracting Officer, DOE Realty Officer/Facilities Information Management System (FIMS) Administrator, and/or DOE Property Administrator may from time to time prescribe. The contractor's property management system must be compatible with the Government's systems (FIMS, Management Analysis Reporting System (MARS), Energy Asset Disposal System, Property Information Database System (PIDS), so that data and reports generated by the contractor can be used by the Government. As a minimum, the contractor's system must include property management life cycle procedures for: (1) Requirements Determination; (2) Acquisition; (3) Accountability, Utilization, and Controls; and (4) Disposal.

The Contractor shall also develop, implement, and administer policies and programs for effective and economical management of Government property to include as a minimum:

- A. Plan and schedule property requirements to assure that supplies and equipment are readily available to satisfy program needs while minimizing operating costs and inventory levels.
- B. Maintain complete and accurate inventory control and accountability records.
- C. Proper care and securing of property to include storage, handling, preservation, and preventive maintenance.
- D. Identify property excess to the needs of the organization and dispose of excess storage through transfer, donation, or sale.

Contractor shall maintain a personal property balanced scorecard program to assure objectives of the property management system are being accomplished. Property performance will be documented and compared to established goals and/or standards. Surveillance areas and goals and/or standards will be jointly developed annually by the SPRPMO Organizational Property Management Officer or the DOE Property Administrator and the Contractor Property Management Officer. Contractor is to conduct periodic management reviews to assure compliance with prescribed policies, regulations, standards, and procedures.

FIMS is the physical assets database for DOE. The contractor shall input, update, and make any necessary adjustments to maintain the accuracy and completeness of the real and related personal property data elements within this system. SAP's real property data input into FIMS will be reconciled monthly and periodically audited to ensure data integrity. The contractor, in coordination with DOE, shall conduct a FIMS Validation as required by DOE Headquarters on an annual basis. This will entail reviewing a random sample of records in the FIMS Data Base and comparing the data to related source documents for accuracy. Guidance has been provided by DOE Headquarters.

Contractor shall maintain the Vehicle Identification Data (VID) which is the Government vehicle database system. The Contractor shall input, update, and make any necessary adjustments to maintain the accuracy and completeness of the annual motor vehicle incorporating SF 82 Agency Report of Motor Vehicle Data.

The Contractor shall effectively manage (office, warehouse, and special purpose) spaces for SPR mission. The spaces include DOE-owned, leased, or controlled facilities and contractor leases. Contractor is to optimize space utilization, to plan and execute office relocations, and ensure that occupied spaces are maintained at the highest level of physical and environmentally safe conditions.

It should be noted that although the full range of property management resources and the activities associated with the effective and economical management of the St. James Terminal is not applicable since it is in the disposal mode, this property is still in DOE's real property inventory. The St. James Terminal is outgranted to Shell Oil Products U.S. and monitored through the annually conducted Lease Performance Evaluation process.

II. DELIVERABLES

Deliverables include the following:

Personal Property

Deliverables (E = Electronic via Link to a Document Management System, H = Hardcopy)

Due

Physical Inventory Results (E)

Within 30 workdays of occurrence

- Ammo – Camp Beauregard, Pineville, LA
- Tubescope, Channelville, TX

Property Survey Report (Report of Lost, Missing, Damaged or Destroyed Property) (E) and (H)

Within 7 workdays of occurrence

Report of Personal Property Furnished to Non-Federal Recipients (E)

1 workday after October 15

Annual Balanced Scorecard Final Report (E)

1 workday after December 15

Property Information Database (PIDS) Report (E)

1st workday in November

Personal Property (continued)

Deliverables (E = Electronic via Link to a Document Management System, H = Hardcopy)

Due

Report of Exchange/Sale (E)

1 workday after
October 15

Annual Agency Report of Motor Vehicle Data
Federal Automotive Statistical Tool (FAST) (E)

1 workday after October
15

Motor Vehicle Appropriation Report (E)

On Request

Report of Exempted Motor Vehicles (E)

On Request

Real Property

Deliverables (E = Electronic via Link to a Document Management System, H = Hardcopy)

Due

Annual Vending Stand Operations (E)

1st workday in October

Annual Status of SPR Real Estate Acquisition (E)

Mid-February

III. PERFORMANCE MEASURES

See Attachment 6.

M&O CONTRACTOR FOR STRATEGIC PETROLEUM RESERVE

Work Authorization DirectiveTechnical Support and Management - Human ResourcesI. DESCRIPTION OF WORK

Manages and directs an organization which provides for labor compliance, compliance with DOE Regulations, policy and procedure development, implementation and interpretation, responsible for personnel administration for the sites and New Orleans, Equal Employment Opportunity (EEO) administration, employment, compensation, employee relations, medical services, employee assistance program, manpower planning, organization, control staffing plan program, and training and development activities.

A. Personnel and Human Resources:

1. Maintain and monitor an effective automated Human Resources Information System as well as maintain all personnel records, to include SAP Human Resource functionalities implemented.
2. Administer a comprehensive pay and benefits program to provide cost-effective compensation and benefit package to attract and retain competent workforce and maintain compliance with applicable State and Federal regulations. Maintain a total compensation package within industry standards.
3. Administer employment programs for recruitment, hiring, promotions, transfers, relocations, redistribution of workforce, layoffs, outplacement, and terminations.
4. Administer 401K programs and COBRA-required benefits programs.
5. Maintain effective and harmonious employee relations ensuring full compliance with all applicable Federal and State legislation.

6. Coordinate effective negotiations and administration of relevant collective bargaining agreements ensuring full compliance with applicable Federal and State guidelines.
7. Develop, implement, and maintain an effective EEO and Diversity policy and program, consistent with the approved Diversity Plan. Develop, implement, and maintain an Affirmative Action program that will hire and promote minorities, females, veterans, and persons with disabilities. Both programs shall include appropriate involvement with community agencies, schools, colleges, and organizations that positively impact the advancement of minorities, females, veterans, and persons with disabilities.
8. Maintain an effective Employee Concerns Program consistent with DOE Order 442.1A and SPRPMO Manual 442.1-1A.
9. Maintain an effective fitness for duty program for all employees and an Employee Assistance Program (EAP) for employees and eligible dependents.
10. Maintain an effective occupational medical program in compliance with applicable DOE Orders.
11. Assure the effective and efficient administration of all employee recognition programs.
12. Provide timely response to any DOE requests for special studies, analyses, reports or other activities.
13. Perform all administrative functions related to health benefits and insurance activities for employees and their dependents, including the recoupment of costs over the \$150,000 threshold.
14. Maintain an orderly and efficient assignment of duties and responsibilities for the economical accomplishment of the work. Each position systematically planned so that it is logical and consistent internally and fits with other positions into an orderly, productive, and efficient organization.

B. Training and Development

1. Implement, operate, and maintain a learning management system that will ensure effective and efficient training and personnel development programs.
2. Implement a company-wide training policy which includes: authority, responsibility, administrative controls, and a systematic approach to the development of technical training and employee professional development programs.
3. Evaluate training programs to ensure effective use of budgeted funds.

II. DELIVERABLES

Deliverables include the following:

Personnel and Human Resources:

<u>Deliverables (E = Electronic via Link to a Document Management System, H = Hardcopy)</u>	<u>Due</u>
Employee Assistance Program Report (H)	November 15
Work Force Information System (WFIS) Reports as appropriate and as required	
<ul style="list-style-type: none"> • Report of Contractor Employment, DOE F 322.1 (E) • Report of Work Force Restructuring (E) • Report of Contractor Expenditures for Employee Supplemental Compensation (E) • Affirmative Action Plan/Report (H) • Diversity Plan Updates (E) • Report Percent of Non-Legally Mandated Fringe Benefit Rate to Total Labor (E) 	<ul style="list-style-type: none"> October 15, January 15, April 15, July 15 October 15 March 1 May 15 30 days prior to start of fiscal year (August 30 of each year) Monthly

Deliverables (E = Electronic via Link to a Document Management System, H = Hardcopy)

- Report of program drug and alcohol testing results consistent with 10 CFR 707 and separate reports on each lower tier subcontractor from maintained records pursuant to DOE O 350.1
- Monthly Headcount Reports (E)

DueSemiannual
January 15 and July 15

The Thursday prior to the Project Assessment Briefing, usually the third Thursday of the month

Training and DevelopmentDeliverables (E = Electronic via Link to a Document Management System, H = Hardcopy)

Annual Training Plan for Next Fiscal Year (October 1 – September 30) (H)

September 1 of each year

Annual Report of E-Learning Usage and Compliance (E)

Annually by September 30

A list of employees who attended training in excess of 200 hours per employee in the past fiscal year. The list will include employees name, location and title of training, and number of hours of training (E)

September 30

III. PERFORMANCE MEASURES

See Attachment 7.

M&O CONTRACTOR FOR STRATEGIC PETROLEUM RESERVE

Work Authorization DirectiveTechnical Support and Management – Safety and HealthI. DESCRIPTION OF WORK

The Contractor shall develop and implement a safety and health program that controls workplace hazards and integrates safety into all phases of work planning and execution. The program shall encompass all Government-owned and -leased facilities and Contractor-operated and -leased facilities. The program shall strive to eliminate occupational injuries and illnesses and safety-related incidents. The program shall maintain and adopt the highest standards of performance (i.e., Occupational Safety and Health Administration (OSHA) Voluntary Protection Program (VPP) criteria and a best practice management standard such as American National Standards Institute (ANSI) Z.10 Management System or OHSAS 18001) for ensuring the safe operation of facilities and the protection of workers and the public. The program shall emphasize identification and control of workplace hazards and ensure the use of approved safety equipment and other devices necessary to protect employees. The program shall encourage worker participation in reviewing work activities, identifying associated risks and implementing corrective measures. The program shall encourage workers to report unsafe acts without retribution, provide input to safety policies, and stop work when hazardous conditions place workers in imminent danger. The program shall encompass established technical standards and administrative controls using approved instructions and procedures. The program shall integrate safety into management and work practices affecting all functional areas, including, but not limited to, operations, maintenance, engineering design, construction, security, property control and procurement. The program shall comply with DOE Order 231.1A, Environment, Safety and Health Reporting; the latest revision of DOE M 231.1-1A, ES&H Reporting Manual; DOE M 440.1-1A, DOE Explosives Safety Manual; DOE Policy 450.4A, Integrated Safety Management Policy; the SPRPMO Environmental, Safety and Health Manual, Chapter 3, Safety and Health; the Code of Federal Regulations, Title 29, Parts 1904, 1910 and 1926; and, DOE Safety Standards 1091-96 Firearms Safety, 1090-91 Hoisting and Rigging Standard, and 1092-97 Electrical Safety Handbook. The program shall include Behavioral Safety. The program shall keep all Accident Prevention Manual sections current

and updated in compliance with OSHA as required to maintain OSHA VPP certification.

II. DELIVERABLES

<u>Deliverable (E = Electronic via Link to a Document Management System, H = Hardcopy)</u>	<u>Due</u>
A. DOE Form 5484.3, Individual Accident/Incident Report (E)	New Reports: Twice per month, on or before the 15 th of the month and the last working day of the month. New reports will include estimated lost work time. Revised Reports: Revisions to lost work time and any information initially reported will be submitted quarterly, by the 10 th day of the month following the end of the calendar quarter.
B. DOE Form 5484.4, Tabulation of Work Hours and Quarterly Vehicle Usage (E)	October 12, January 10, April 10, and July 10
C. All Vehicle Accidents for DM and DM Subcontractors and Analysis of each Vehicle Accident over \$1,000 Damage (H)	Once per month, on the last working day of the month
D. Quarterly and Cumulative Fiscal Year-to-Date Days Away/Restricted Time (DART) Case Rate for DM and its Subcontractors only (E)	5 days after the end of the quarterly period
E. Quarterly and Cumulative Fiscal Year-to-Date DART Case Rate for DM, its Subcontractors, DOE, and its Prime Contractors and Subcontractors (E)	5 days after the end of the quarterly period

<u>Deliverable (E = Electronic via Link to a Document Management System, H = Hardcopy)</u>	<u>Due</u>
F. Quarterly and Cumulative Fiscal Year-to-Date Total Recordable Case (TRC) Rate for DM, its Subcontractors, DOE, and its Prime Contractors and Subcontractors (E)	5 days after the end of the quarterly period
G. Quarterly and Cumulative Fiscal Year-to-date Total Recordable Case Rate for DM and its subcontractors only	5 days after the end of the quarterly period
H. Cumulative Fiscal Year-to-Date List, with Descriptions, of Recordable Illnesses and Injuries for DM, its Subcontractors, DOE, and its Prime Contractors and Subcontractors, by Occurrence Date (E)	5 days after the end of the quarterly period
I. Integrated Safety Management Effectiveness Review and Update Report (H)	October 31
J. Integrated Safety Management Declaration Statement (H)	October 31
K. Annual Voluntary Protection Program (VPP) Self-Assessments of Site Safety and Health (E)	
<ul style="list-style-type: none"> • Bayou Choctaw • West Hackberry • Bryan Mound • Big Hill 	<ul style="list-style-type: none"> • February 15 • February 15 • February 15 • February 15
L. Review and update of SPR Contractor ISM System Description (H)	October 31 (or as directed by FE Guidance)

<u>Deliverable (E = Electronic <u>via Link to a Document Management System</u>, H = Hardcopy)</u>	<u>Due</u>
M Weekly Safety Report (E)	Weekly, Mondays 10 a.m.
N Safety Survey of Firing Range (E and H)	June 28
O Causal Analysis for each recordable case for DM and DM subcontractors. The approach shall ensure a complete and accurate description of the event (Block 36), causes (Block 37), and the corrective actions (Block 38) by DM on DOE F 5484.3.	3 days before new Individual Accident/Incident Reports are entered into CAIRS

III. PERFORMANCE MEASURES

See Attachment 8.

M&O CONTRACTOR FOR STRATEGIC PETROLEUM RESERVE

Work Authorization DirectiveTechnical Support and Management - Fire Protection/Emergency ManagementI. DESCRIPTION OF WORKFire Protection

The Fire Protection program is to provide engineering and technical oversight to ensure that SPR fire equipment and systems are designed, installed, and maintained in a manner to prevent, detect, and suppress fires. This will be accomplished through operational readiness inspections; sound engineering design and construction, and proper maintenance of fire protection for protecting the public, employees, and property from fire losses. The program will provide for training and certification of emergency response personnel to DOE O 420.1B, National Fire Protection Association (NFPA), Occupational Safety and Health Act (OSHA), and other applicable standards. Verification of the reliability of fire detection and suppression systems shall be accomplished through conducting tests, independent audits, and inspections of fire systems and equipment. The Fire Protection Program and procedures will be compliant with NFPA and other fire-related standards and requirements applicable to the SPR.

Emergency Management (includes Emergency Preparedness and Response)

The disciplines of emergency preparedness and response form the emergency management program. Emergency Management will develop and implement all-hazards planning, preparedness, and response capabilities to ensure timely and effective all hazards response to events that may adversely affect the health and safety of the public and employees, for protecting property and the environment, and ensuring drawdown operations in the event of emergencies. The program will provide for: maintenance and inspection of emergency facilities and equipment; training of the emergency response personnel; emergency drills and exercises at each SPR site in compliance with DOE Order 151.1C and Federal and State regulations; the updating of current emergency plans and procedures based on site specific hazards; the initiation and maintenance of Basic Ordering Agreements (BOAs) and mutual aid agreements for Response Organizations; and coordination with Federal, state, and local, agencies. Disaster Recovery Program is to provide

the SPRPMO a plan to enable the M&O contractor and the DOE with temporary facilities and equipment necessary to continue the essential functions of SPR operations and business recovery. DM will develop disaster recovery procedures as part of an integrated Continuity of Operations Plan (COOP). The Disaster Recovery/COOP Program must include the Stennis Warehouse, stored equipment, and functional areas.

The Contractor shall perform the following Emergency Management and Fire Protection/Disaster Recovery/COOP activities:

- A. Organize and maintain an Emergency Response Organization (ERO) that includes qualified Emergency Response Team (ERT) members at each storage site and Emergency Management Teams (EMTs) at the SPR.
- B. Staff and maintain Mutual Assistance Agreements with local area mutual assistance associations, local Government emergency directors, fire departments, sheriffs, and other agencies where possible and as appropriate.
- C. Assure response readiness for the emergency cadre. This includes emergency cadre lists are current, and cadres are trained and qualified, and they are available for immediate response with the required equipment. Conduct communication tests for ERT and EMT personnel.
- D. Maintain a comprehensive Emergency Management Program plan and facility/site specific implementing emergency response procedures as required by State and Federal regulation, including OPA 90 and DOE Order 151.1C, for timely emergency response. Update and revise all developed plans and procedures as required. Coordinate emergency plans with off-site agencies such as the Local Emergency Management Committees and local law enforcement agencies.
- E. Ensure the SPR properly maintains emergency facilities and equipment to:
 - 1. Operate an SPR Emergency Operation Center (EOC) in New Orleans and a facility EOC at each storage site and Stennis, and predesignate appropriate alternate off-site EOC facilities for each location as required by DOE Orders.
 - 2. Operational communications with the ability for communication capability with emergency responders and DOE Headquarters EOC.

3. Develop procedures that implement or recall capability during emergency or COOP operations.
 4. Respond with emergency equipment for initial emergency response such as first aid, medical treatment, emergency transportation, communications equipment, fire protection equipment, and spill response equipment at each storage site.
- F. Maintain and operate adequate mobile/portable EOC and Emergency Communication Equipment in coordination with the DOE Emergency Communication Network (ECN).
- G. Maintain and exercise Basic Ordering Agreements (BOAs) with response and cleanup contractors. Ensure proper notification of responders and regulatory agencies during an event, including DOE personnel.
- H. Develop protective action and accountability procedures to be taken during events at the SPR. Ensure employees are aware of and familiar with the protective action procedures, including sheltering locations, evacuation routes, and assembly areas.
- I. Ensure the SPR Emergency Management is in a constant state of readiness through a coordinated training, exercise, and drill program. Conduct scheduled and unscheduled tabletops, exercises, and drills as required by DOE and regulatory agencies and SPR plans.
- J. Develop and implement a formal emergency response training for the SPR that includes ERT qualification training, management officials and specialized emergency duty personnel, and all others with emergency response responsibilities, including SPR employees and DOE personnel.
- K. Ensure that 100 percent of Incident Commanders/Qualified Individuals are trained in Incident Command System to the appropriate level.
- L. Provide adequate fire protection management to ensure fire prevention and protection systems and equipment are properly and cost effectively inspected, maintained, or operated to provide appropriate levels of protection throughout the SPR. Maintain an adequate staff, including Fire Protection Engineers. Continuing education and training shall be provided to maintain and enhance the competency of the Fire Protection staff to professional levels. Provide and maintain a review and comment system of all plans and specifications to

ensure the SPR is designed and constructed to Improved Risk/Highly Protected Risks (IR/HPR) levels of fire protection. Provide oversight and analysis consequence, probability, failure mode(s), and efficient and effective corrective actions and prioritized for funding of the corrective action(s).

- M. Promptly notify the Assistant Project Manager for Technical Assurance of Fire Protection/Emergency Management events, deficiencies, problems, corrections, and changes to Fire Protection and Emergency Management systems, equipment, or policy.
- N. Provide cost-effective, timely, and appropriate recommendations on permanently correcting Fire Protection related deficiencies identified in the Action Tracking System.
- O. Conduct Emergency Management/Fire Protection self assessment of facilities and operations according to the scope and frequency established by DOE and SPRPMO requirements and DOE Order. This shall include appraisals, performance analysis, follow-up, communications, and action tracking.
- P. Prepare and make presentations required by DOE.
- Q. Provide for the timely completion of Emergency Management and Fire Protection assignments directed by DOE.
- R. The Contractor shall utilize the Occurrence Reporting Processing and Information Guidance in conformance with DOE O 151.1C and SPRPMO O 231.1A.
- S. Provide adequate Disaster Recovery management to ensure Disaster Recovery plans, procedures, and equipment are in place and available for COOP in case of a major disaster at any SPR facility. Develop training for COOP personnel as identified in the SPR Plans.
- T. Schedule and conduct necessary drills/exercises to ensure plans, equipment, and personnel readiness in case of a COOP event.

II. DELIVERABLES

Deliverables include the following:

<u>Deliverables (E = Electronic via Link to a Document Management System, H = Hardcopy)</u>	<u>Due</u>
Submit Exercise After Action Report(s). (E) and (H)	Not later than 30 days after exercise completion
Record Lessons Learned from each PREP Exercise. (E)	Not later than 30 days after the After-Action Report is approved by SEOD
Submit Corrective Action Plan for all deficiencies noted in self assessments and outside program review(s). (E)	30 days after receipt of initial findings
Submit Emergency Response Assurance Plan (ERAP) and Exercise Schedule. (E) and (H)	October 13, 2011
Provide Final Exercise Drill Package for signature. (H)	30 days prior to exercise
Submit final Hurricane Preparedness Checklist Appendix C – Attachment 4 AS15500.58 Series. (H)	April 2, 2012
Conduct Staff Hurricane Awareness Training.	April 16, 2012
Submit updated/reviewed DM Business Continuity Plan (COOP). (E) and (H)	June 1, 2012
Weekly Emergency Management Report (E)	Weekly, Tuesdays, 10:00 a.m.

III. PERFORMANCE MEASURES

See Attachment 9.

M&O CONTRACTOR FOR STRATEGIC PETROLEUM RESERVE

Work Authorization DirectiveTechnical Support and Management - Internal AuditI. DESCRIPTION OF WORK

The purpose of the Internal Audit function is to comply with the Internal Audit Clause of the contract (Department of Energy Acquisition Regulation 970.5232-3) and related applicability of DOE Orders O 221.2A "Cooperation with the OIG;" O 226.1B "Implementation of Department of Energy Oversight Policy;" 2340.1C "Coordination of GAO Activities;" O 413.1B "Internal Control Program," and O 221.1A "Reporting Fraud, Waste, and Abuse to the Office of Inspector General."

1. The Internal Audit operations must be conducted in a manner satisfactory to DOE, which includes:
 - a. Be organizationally independent, both de facto and in all outward indications.
 - b. Maintain a sufficient staff to provide adequate audit coverage of key operations and related costs.
 - c. Maintain staff of appropriately trained professionals to comply with Institute of Internal Auditors (IIA), Standards for the Professional Practice of Internal Auditing (includes Continuing Professional Education (CPE), focused on specialized training in areas to be covered in Annual Audit Plans, i.e., Information Systems and SAP audits).
 - d. Perform sufficient testing of systems' "internal controls" (management controls) and substantive testing of financial transactions to ensure that costs are reasonable, allowable, and allocable under the contract and issue final report by March 30, 2012.
 - e. Prepare FY 2013 Annual Audit Plan to provide for adequate coverage of reasonableness, allowability, and allocability of all incurred costs and submit plan by June 15, 2012, for subsequent Head of Contracting Activity (HCA) or designee approval and submission to the Office of Inspector General (OIG). The plan should be based on a risk assessment

of auditable areas, incorporate areas of concern identified by DOE/DM management and OIG, and include a data sheet for each audit planned.

2. Prepare the FY 2012 Annual Assurance Report from the DM Project Manager to the DOE Project Manager. This report will include:
 - a. Status of Management Control and Financial Management Systems. Consider existing information such as:
 - (1) Internal and external reviews, audits, appraisals, and other types of evaluations and any problems disclosed.
 - (2) Activity reports and other existing mechanisms for reporting to management and any problems disclosed.
 - (3) Problems identified through ongoing quality initiatives.
 - (4) Underlying management principles incorporating GAO standards for Internal Controls.
 - (5) Strategic Plans, Budget, and Customer Needs.
 - b. Audit methodology/approach used to ensure adequate coverage of allowability of costs during the fiscal year.
 - c. Schedule of dollar values tested by cost element or audit population and dollar values of costs questioned or deemed unallowable.
 - d. Summary of audit activity during the fiscal year.
 - e. Identification of any “Reportable Management Challenges/Reportable Financial Systems Nonconformances,” using criteria provided in DOE Order 413.1B as a guide, but not exclusively.
 - f. Preparation of related Corrective Action Plans for any Reportable Management Challenges/Nonconformances identified.
 - g. Provide Federal Managers Financial Integrity Act (FMFIA) reporting submittals as established annually by DOE’s Chief Financial Officer.

The FY 2012 Annual Assurance Report must be submitted to DOE by July 18, 2012, and signed as of the submission date.

3. Support DOE annual Performance-Based Business Management evaluations through participation in negotiation and development of performance factors, and participation in subsequent verification of actual performance, as requested.
4. Continue to maintain Audit Resolution and Follow-up System to track internal audit and other findings/recommendations.
5. Continue to participate in the OIG's Cooperative Audit Strategy which continues to place increased reliance on the Internal Audit Group's audits to help meet its mission objectives.
6. Submit to, at least once every 5 years, a peer review of the Internal Audit function and organizational position, to be conducted by two other non-affiliated M&O contractors' Internal Auditors, and annually participate as team leader or team member for two of the years not under review. (The DOE OIG will maintain oversight of the peer review process.)
7. Participate in a joint review with DOE PMO Office of the Assistant Project Manager, Management and Administration personnel of all DOE OIG and GAO audit reports issued the previous month to identify reports perceived to have local implications, coordinate review of those reports by DM management, and prepare Summary Report for submission to DOE PMO.

II. DELIVERABLES

Deliverables include the following: (E = Electronic via Link to a Document Management System)

1. Copies of each completed audit report, as required under the OIG Cooperative Audit Strategy implementation and operation. (The final report relative to incurred costs is due by March 30, 2012.) (E)
2. Audit Planning Package to include Section 1 - FY 2013 Audit Plan with Audit Data Sheets and Section 2 - Risk Assessment by June 15, 2012. (E)
3. FY 2012 Annual Assurance Report on July 18, 2012. (E)
4. Quarterly reports on Audit Resolution/Follow-up activity within 15 calendar days after end of each quarter. (E)

III. PERFORMANCE MEASURES

See Attachment 10.

WAD NUMBER: 2012-1.T
PERFORMANCE AREA: Technical Support and Management - Engineering
FISCAL YEAR: 2012

CRITERIA	PERFORMANCE MEASURE	FY 2012 OUTPUT	
		MINIMUM	TARGET
A. <u>ENGINEERING</u>			
1. Operations Manuals updates.	Percentage of Operations Manuals updated in Konfig before new/revised systems turned over for operations.	95 percent	100 percent
2. Engineering support to Drawdown and Fill.	On-Line Readiness Computerized Assessment (ORCA) Checklist Responses.	ORCA items met with exceptions and acceptable workarounds	ORCA items met with no exceptions
3. Reliability Availability Maintainability (RAM) Provide adequate assurance of the availability and reliability of system components necessary to carry out the SPR mission.	Calculated percentage of site availability to be validated by quarterly equipment exercise and required performance of drawn-down critical equipment to support full rate drawdown.	≥ 95 percent for SPR-wide average each quarter calculated	≥ 95 percent for each site each quarter

WAD NUMBER: 2012-1.T
PERFORMANCE AREA: Technical Support and Management - Engineering
FISCAL YEAR: 2012

CRITERIA	PERFORMANCE MEASURE	FY 2012 OUTPUT	
		MINIMUM	TARGET
B. <u>CONFIGURATION MANAGEMENT</u> 1. Manage Technical Data Center (TDC) and maintain SPR Technical Baseline original documents (red-lines, as-builts, vendor data, etc.) to include electronic media.	a. Percentage of Engineering Change Proposals (ECPs) closed within a 90-day (calendar) period from the Final Readiness Review Board Acceptance date.	a. 75 percent	a. 100 percent
	b. Priority 1 as-built completed within 30 days after receipt by the New Orleans TDC.	b. 90 percent	b. 100 percent
2. Development and processing of Configuration Management documents (ECPs, Deviations, Waivers, Engineering Construction Changes (ECCs), Advance Change Notice (ACN), etc.) in accordance with SPRPMO Manual 410.1-1.	Percentage of Configuration Management documents processed in compliance with SPRPMO Manual 410.1-1.	90 percent	100 percent

WAD NUMBER: 2012-1.T

PERFORMANCE AREA: Technical Support and Management – Quality Assurance

FISCAL YEAR: 2012

CRITERIA	PERFORMANCE MEASURE	FY 2012 OUTPUT	
		MINIMUM	TARGET
1. Annual ISO 9001:2008 Surveillance Audit.	Complete Annual ISO 9001:2008 Surveillance Audit.	N/A	03/31/2012

WAD NUMBER: 2012-1.T

PERFORMANCE AREA: Technical Support and Management - Information Technology

FISCAL YEAR: 2012

CRITERIA	PERFORMANCE MEASURE	FY 2012 OUTPUT	
		MINIMUM	TARGET
1. Effective project management control for Information Technology (IT) projects.	Percentage of IT requests turned into Engineering Change Proposals (ECPs) forwarded to New Orleans Senior Site Representative within 15 calendar days for Class II ECPs and within 45 calendar days for Class I ECPs.	90% of all ECPs	99% of all ECPs
2. Effective response to data call requests.	Percentage of responses to data calls returned to DOE site requestor by the due date.	95%	99%
3 Cyber Security Provide a high level of integrity for all major systems and major applications.	Effectiveness measures relating to blocked intrusions attempts and timeliness of security patches.	<p>a. $\geq 99.995\%$ quarterly average of blocked intrusion attempts with 0 instances of unrecoverable loss or corruption of data</p> <p>b. Apply 95% of all cyber security patches per the vulnerability management procedure (quarterly average)</p>	<p>a. $\geq 99.999\%$ quarterly average of blocked intrusion attempts with 0 instances of unrecoverable loss or corruption of data</p> <p>b. Apply 99% of all cyber security patches per the vulnerability management procedure (quarterly average)</p>
4. Responsiveness to IT Requests Provide adequate assurance that approved IT requests are processed as necessary to timely support the mission.	Percentage of new IT Project requests in which the project's definition process is completed within 45 calendar days of receiving the request.	70% of all IT Project requests	85% of all IT Project requests

WAD NUMBER: 2012-1.T

PERFORMANCE AREA: Technical Support and Management - Information Technology

FISCAL YEAR: 2012

CRITERIA	PERFORMANCE MEASURE	FY 2012 OUTPUT	
		MINIMUM	TARGET
<p>5. Program Cyber Security Plan (PCSP) Implementation</p> <p>Ensure effective progress on implementing the Under Secretary of Energy's PCSP and implementing the technical solutions on the SPR Federal Information System Management Act (FISMA) systems.</p>	<p>a. Percentage of plan of action and milestones (POAMs) closed by the scheduled completion date.</p> <p>b. Develop, document, and implement a strategy to comply with current PCSP requirements and FISMA requirements for continuous monitoring.</p>	<p>a. 90%</p> <p>b. Developed and documented a continuous monitoring strategy</p>	<p>a. 100%</p> <p>b. Implemented continuous monitoring strategy</p>
<p>6. Continuity of Operations for Business Critical Applications</p> <p>Ensure high availability and security of the Crude Oil Sales Offer Program (COSOP).</p>	<p>Continued assurance of the high availability and continuity of operations during Cyber Security attacks and for Disaster Recover events during a sale/exchange.</p>	<p>a. 99.5% availability during normal operations, exclusive of planned downtime, provided by any SPR Network Control Center, Alternate Data Center, or Backup site</p> <p>b. 95% availability within 3 days of catastrophic event</p>	<p>a. 99.9% availability during drawdown, exclusive of planned downtime, provided by any SPR Network Control Center, Alternate Data Center, or Backup site</p> <p>b. 99% availability within 1 day of catastrophic event</p>

WAD NUMBER: 2012-1.T

PERFORMANCE AREA: Technical Support and Management - Information Technology

FISCAL YEAR: 2012

CRITERIA	PERFORMANCE MEASURE	FY 2012 OUTPUT	
		MINIMUM	TARGET
<p>7. Information System Availability</p> <p>Assure availability and reliability of business applications necessary to support the SPR mission (Critical Business Applications). Assure access to the Internet and Intranet Portal to the same average percent.</p>	<p>Average quarterly percent availability of applications: Exchange, SAP, Crude Oil Valuation Assessment Tracking System (COVATS), SharePoint, Citrix, Konfig, and Transportation Management Model (TMM), exclusive of planned downtime or external impacts.</p>	<p>≥ 98.5% quarterly average</p>	<p>≥ 99.5% quarterly average</p>
<p>8. Information Security</p> <p>Assure protection of sensitive Personally Identifiable Information (PII).</p>	<p>Instances of loss of protected PII because of an error or omission in DM Data Systems technical administration and management of SPRPMO FISMA computing systems, specifically excluding user error.</p>	<p>N/A</p>	<p>0 instances</p>
<p>9. Network Incidents</p> <p>Assure timely response to network incidents and extended network outages.</p>	<p>Use network monitoring tool to minimize Network incidents and outages that impact any of the WAD applications (Criteria 7). An incident that impacts the WAD application for a period less than 4 hours is a Network Incident. An incident during normal business hours (7:00 a.m.–5:30 p.m., Monday-Friday) that impacts one or more of the WAD applications for a period greater than 4 hours is a Network Outage, exclusive of planned downtime or external impacts.</p>	<p>≥ 12 Outages or less</p>	<p>8 Outages or less</p>

WAD NUMBER: 2012-1.T

PERFORMANCE AREA: Technical Support and Management - Financial Management

FISCAL YEAR: 2012

CRITERIA	PERFORMANCE MEASURE	FY 2012 OUTPUT	
		MINIMUM	TARGET
1. Provide Financial Management Processes and Systems that ensure accuracy in the financial statements.	a. Number of material deficiencies found during the annual financial statement audit.	a. Zero	a. Zero
	b. Submission of the monthly Integrated Contractor file without errors.	b. Noon 2 nd Workday of the Month	b. 1st Workday of the Month
2. Process accounts payable transactions in a timely and efficient manner.	a. Percentage of invoice payments included in semiannual accounts payable review that take early payment discounts when cost effective.	a. 85 percent	a. 95 percent
	b. Percentage of invoice payments included in semiannual accounts payable review that are paid according to terms of contract.	b. 90 percent	b. 95 percent
	c. Percentage of invoices paid electronically.	c. 85 percent	c. 90 percent
3. Develop and execute budget to ensure adequate change control and visibility of variances.	Percent of Budget Request Obligations (dollar value) accepted by DOE (includes only requirements cited in guidance).	97 percent	99 percent

WAD NUMBER: 2012-1.T

PERFORMANCE AREA: Technical Support and Management - Procurement/Contracts

FISCAL YEAR: 2012

CRITERIA	PERFORMANCE MEASURE	FY 2012 OUTPUT	
		MINIMUM	TARGET
1. To deliver to the contractor's customers on a timely basis those best value products and services necessary to accomplish the purposes of the Government's contract, utilizing the contractor's experience, expertise, and initiative consistent with Department of Energy Acquisition Regulation Subpart 970.	Achievements relative to Procurement Balanced Score Card performance targets.	Meet or exceed 70 percent of all performance targets	Meet or exceed 85 percent of all performance targets

WAD NUMBER: 2012-1.T
PERFORMANCE AREA: Technical Support and Management - Property Management
FISCAL YEAR: 2012

CRITERIA	PERFORMANCE MEASURE	FY 2012 OUTPUT	
		MINIMUM	TARGET
<p>1. <u>Personal Property Management</u>: Establish, implement, and maintain a written personal property system that:</p> <ul style="list-style-type: none"> a. Provides for the efficient, life-cycle management (from acquisition to disposition) of DOE-owned personal property accountable to its contract; b. Incorporates the uniform principles, policies, standards, guidance, and performance expectations of the DOE personal property management program; and c. Is consistent with the terms and conditions of the contract and prescribed Federal statutes and regulations. 	Percentage of Property Balanced ScoreCard performance targets met.	80 percent	90 percent
<p>2. <u>Real Property Management</u>: The Contractor shall ensure the proper stewardship of DOE-owned real property assets through active, value-based, and informed management processes that ensure the existence of adequate real property assets fully capable of meeting mission, safety, and performance requirements. The Contractor shall also ensure that source documents for the data entered into FIMS are comprehensive, accurate, complete, and up to date.</p>	Percent of accurate data included in FIMS elements based on data analysis or sampling methods.	100 percent accuracy for FIMS Validation Performance Measures which comprises the following data elements: Utilization; Replacement Plant Value; Deferred Maintenance; Mission Dependency; Operating Cost (site level) and Annual Actual Maintenance (asset level). 90 percent accuracy for the remaining FIMS data elements	100 percent accuracy of data elements

WAD NUMBER: 2012-1.T

PERFORMANCE AREA: Technical Support and Management - Human Resources

FISCAL YEAR: 2012

CRITERIA	PERFORMANCE MEASURES	FY 2012 OUTPUT	
		MINIMUM	TARGET
<p>1. An effective Human Resources program to include efficiencies in staffing, compensation, benefits, and employee relations.</p> <p>a. Compensation.</p> <p>b. Affirmative Action.</p>	<p>a. DM average salaries/wages to market reference value midpoint.</p> <p>b. Percentage of under utilized categories as identified in the annual Affirmative Action Plan (where opportunities exist (new hire/promotion: 1 hire, 2 promotions)).</p>	<p>a. 75 percent</p> <p>b. 50 percent</p>	<p>a. ≤ 125 percent</p> <p>b. 75 percent</p>
<p>2. Ensure the implementation of an effective training program by measuring training completion and effectiveness.</p>	<p>Regulatory/compliance training completed for all employees within 30 days.</p>	<p>95 percent</p>	<p>98 percent</p>
<p>3. Human Resource Performance Development will develop a plan (including approaches and processes) for Knowledge Management and Career Enrichment.</p>	<p>Submit plan to DOE by September 30, 2012.</p>	<p>100 percent</p>	<p>100 percent</p>

WAD NUMBER: 2012-1.T

PERFORMANCE AREA: Technical Support and Management – Safety and Health

FISCAL YEAR: 2012

CRITERIA	PERFORMANCE MEASURES	FY 2012 OUTPUT	
		MINIMUM	TARGET
1. Safety Statistics	a. Days Away Restricted /Transferred (DART) Rate per 200,000 worker hours (DM and DM subcontractors).	1.80 Cases	0.90 Cases
	b. Total Recordable Case (TRC) Rate per 200,000 worker hours (DM and DM subcontractors).	2.80 Cases	1.40 Cases
2. Safety Performance	Number of incidents that include any of the following: a. A work related fatality, or b. A single incident requiring in patient hospitalization of 3 or more DM or DM subcontractor employees, or c. A single incident resulting in DART cases for 3 or more DM or DM subcontractor employees	N/A	Zero Incidents

WAD NUMBER: 2012-1.T

PERFORMANCE AREA: Technical Support and Management - Fire Protection/Emergency Management

FISCAL YEAR: 2012

CRITERIA	PERFORMANCE MEASURE	FY 2012 OUTPUT	
		MINIMUM	TARGET
1. Ensure Emergency Response Team (ERT) members are prepared to respond to emergencies at each site.	a. Percentage of (quarterly) trained ERT members at each site.	a. 95 percent of authorized ERT members at each site must be trained and fully qualified	a. 100 percent of authorized ERT members on roster at each site must be trained and fully qualified
	b. Percentage of key spill response equipment categories listed in site's quarterly spill response equipment readiness inventory is available. (1) Boom Sections, (2) Boats, (3) Motors, (4) Trailers, (5) Response Trailer, (6) Command Trailer, (7) Command Vehicle, (8) Tow Trucks, (9) Confined Space Rescue Equipment.	b. 90 percent of inventory must be available for emergencies	b. 100 percent of inventory must be available for emergencies
	c. Successful completion of Preparedness for Response Exercise Program (PREP) drills/exercises objectives and equipment readiness.	c. N/A	c. 100 percent of PREP objectives tested (prorated)
2. Emergency Management	a. Conduct an annual self-assessment using established Standards and Criteria.	a. N/A	a. 100 percent
	b. Emergency Management Inspection must achieve a Satisfactory and Effective Performance Rating.	b. N/A	b. 100 percent

WAD NUMBER: 2012-1.T

PERFORMANCE AREA: Technical Support and Management - Fire Protection/Emergency Management

FISCAL YEAR: 2012

CRITERIA	PERFORMANCE MEASURE	FY 2012 OUTPUT	
		MINIMUM	TARGET
3. M&O Contractor Business Recovery Plan must be current and accurate.	a. Annual review and update.	a. N/A	a. 100 percent
	b. Business Recovery Plan must support the SPRPMO 0024 Series, Continuity of Operations Plan.	a. N/A	b. 100 percent
4. Emergency Plans	Emergency Plans must be reviewed and revised as necessary, annually.	N/A	100 percent
5. Fire Protection Planning	a. Annual review/update to the Fire Protection Manual ASL 5480 and associated procedures.	a. N/A	a. 100 percent
	b. Maintain Training Competency Schedule and records on ERT members (Fire Academy attendance).	b. N/A	b. 100 percent
	c. Update test procedures and work instructions for maintenance and testing of the fire equipment.	c. N/A	c. 100 percent
	d. Develop and deploy employee awareness training for fire protection (note: may be done with Emergency Management).	d. N/A	d. 100 percent
6. Emergency Event Reporting/Classification	Accurately categorize operational emergencies.	N/A	100 percent

WAD NUMBER: 2012-1.T
PERFORMANCE AREA: Technical Support and Management - Internal Audit
FISCAL YEAR: 2012

CRITERIA	PERFORMANCE MEASURE	FY 2012 OUTPUT	
		MINIMUM	TARGET
1. Conduct suitable Internal Audit Operations under the contract.	Percent of planned audits/special projects/management advisory services initiated.	85 percent	95 percent