

SECTION B

SUPPLIES OR SERVICES AND PRICES/COSTS

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B.1 SERVICE BEING ACQUIRED

The Contractor shall provide the personnel, facilities, equipment, materials, supplies, and services (except such facilities, equipment, materials, supplies and services as are furnished by the Government) necessary to perform the requirements and work set forth in this contract, and shall perform such requirements and work in a quality, timely, and cost-effective manner.

B.2 OBLIGATION OF FUNDS AND FINANCIAL LIMITATIONS

The amount presently obligated by the Government with respect to this contract is specified in the Section I Clause entitled "DEAR 970.5232-4 – Obligation of Funds". Other financial limitations are also specified in the Section I Clause entitled "DEAR 970.5232-4 – Obligation of Funds."

B.3 PERFORMANCE FEE

- (a) The transition activities shall be performed on a cost-reimbursement basis up to the amount specified in the Section H Clause entitled "Activities During Contract Transition", and no fee shall be paid for these activities.
- (b) In implementation of the Section I Clause entitled "DEAR 970.5215-1 – Total Available Fee: Base Fee Amount and Performance Fee Amount", the Parties have agreed that the maximum available performance fees that may be earned by the Contractor in accordance with the provisions of Section J, Appendix B entitled "Performance Evaluation and Measurement Plan", for the performance of the work under this contract commencing January 5, 2015 are as follows:

Base Contract Period:

Performance Period	Performance Fee
01/05/15 – 09/30/15	\$5,175,000.00
10/01/15 – 09/30/16	\$6,900,000.00
10/01/16 – 09/30/17	\$6,900,000.00
10/01/17 – 09/30/18	\$6,900,000.00
10/01/18 – 09/30/19	\$6,900,000.00
10/01/19 – 01/04/20	\$1,725,000.00

Base fee under this contract is \$0. All fee dollars shall be in performance fee and at risk.

- (c) If DOE determines that the Contractor has earned any Award Term beyond

January 4, 2020, in accordance with Section F.2 entitled “Award Term Incentive”, the Parties have agreed that the maximum available annual performance fee that may be earned by the Contractor shall be:

Award Term Period:

Performance Period	Performance Fee
01/05/20 – 09/30/20	\$5,175,000.00
10/01/20 – 09/30/21	\$6,900,000.00
10/01/21 – 09/30/22	\$6,900,000.00
10/01/22 – 09/30/23	\$6,900,000.00
10/01/23 – 09/30/24	\$6,900,000.00
10/01/24 – 01/04/25	\$1,725,000.00

Base fee under this contract is \$0. All fee dollars shall be in performance fee and at risk.

- (d) The maximum available annual performance fee that may be earned by the Contractor for any additional extensions of the period of performance beyond the ten (10) years listed in the tables above shall be subject to negotiation between the Parties consistent with the Department of Energy Acquisition Regulation (DEAR) in effect at the time the fee is negotiated.
- (e) At the end of each fiscal year, there shall be no adjustment in the amount of the maximum available performance fee based on differences between any estimate of cost for performance of the work and the actual cost for performance of the work. Fee is subject to adjustment only –
 - 1) Under the provisions of Section I Clause entitled “DEAR 970.5243-1 – Changes”, or other contract provisions; or
 - 2) For a +/- 10 percent change in the estimated fee base of \$596,900,000.
- (f) Any adjustment in the amount of the fee under the provisions of paragraph (e) for the fees specified in paragraph (b) and (c) above, or negotiation of fee under paragraph (d) above, will be in accordance with the fee policy then in effect, utilizing the adjusted fee base and maintaining the same fee ratio proposed (i.e. proposed vs. maximum) by the Contractor during the contract competition and reflected in the current contract.

B.4 ALLOWABILITY OF SUBCONTRACTOR FEE

If the Contractor is part of a consortium, joint venture, and/or other teaming arrangement, the team shall share in this contract fee structure and separate

additional subcontractor fee for teaming partners shall not be considered an allowable cost under the contract. If a subcontractor, supplier, or lower-tier subcontractor is a wholly owned, majority owned, or affiliate of any team member, any fee or profit earned by such entity shall not be considered an allowable cost under this contract unless otherwise approved by the Contracting Officer.

B.5 PROVISIONAL PAYMENT OF PERFORMANCE FEE

The Contractor may, subject to the approval of the Contracting Officer, be paid provisional performance fee payments consistent with the provisions of the Section I Clause entitled, "DEAR 970.5232-2 – Payments and Advances". The Contractor shall promptly refund to the Government any amount of provisional performance fee paid that exceeds the amount of performance fee earned.