



Department of Energy  
National Nuclear Security Administration  
Office of the General Counsel  
P. O. Box 5400  
Albuquerque, NM 87185



FEB 21 2017

**SENT VIA EMAIL**

[Tomclements329@cs.com](mailto:Tomclements329@cs.com)

Mr. Tom Clements  
Director, SRS Watch  
1112 Florence St  
Columbia, SC 29201-1512

Dear Mr. Clements:

This letter is the final response to your December 13, 2016 Freedom of Information Act (FOIA) request. You requested the following:

As it applies to construction of the Mixed Oxide Fuel Fabrication (MFFF) at the DOE's Savannah River Site:

- 1) Fiscal Year 2016 Award Fee Determination Scorecard(s) by DOE/NNSA for fee award CB&I AREVA MOX Services related to the design and construction of the MOX plant at the Savannah River Site;
- 2) Fiscal Year 2016 Performance Evaluation Report(s) (PERs) by DOE/NNSA for CB&I AREVA MOX Services related to the design and construction of the MOX plant at the Savannah River Site;
- 3) Any attachments to the above documents, including cover letters.

Your request was transferred from the Department of Energy (DOE) and was received in this office on January 11, 2017.

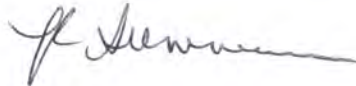
We contacted the National Nuclear Security Administration's Acquisition and Project Management (NA-APM) about your request. NA-APM searched and located these documents:

1. Contract DE-AC02-99CH10888, FY2016 Award Fee Determination
2. MFF FY 2016 Detailed Report

These documents are fully releasable and provided in their entirety.

There are no fees chargeable to you for processing this request. If you have questions concerning the processing of your request, please feel free to email Delilah Perez at [Delilah.Perez@nnsa.doe.gov](mailto:Delilah.Perez@nnsa.doe.gov), or write to the address above. Please reference Control Number FOIA 17-00045-M in your correspondence.

Sincerely,



Jane R. Summerson  
Authorizing & Denying Official

Enclosures

# Document 001



**Department of Energy  
National Nuclear Security Administration  
MOX Project Management Office  
Savannah River Site  
P.O. Box A  
Aiken, South Carolina 29802**

December 5, 2016

Mr. Rex Norton  
Vice President, Contracts and Supply Chain Management  
CB&I AREVA MOX Services, LLC  
Savannah River Site  
P.O. Box 7097  
Aiken, SC 29804-7097

SUBJECT: Contract DE-AC02-99CH10888, FY2016 Award Fee Determination

Dear Mr. Norton:

The Government has completed its evaluation of MOX Services' performance relative to Fiscal Year (FY) 2016 Award Fee Plan. As part of this evaluation, the Performance Evaluation Team (PET) considered performance throughout the fiscal year as well as information provided in MOX Services' Self-Assessment. Based on this thorough evaluation, the PET Chairperson recommended, and the Fee Determining Official (FDO) approved, an overall rating of "Satisfactory" along with an Award Fee amount of \$267,000. This amount equates to 8.9% of the total available FY16 pool of \$3,000,000.

Enclosed is the FY16 Award Fee Determination. This determination includes the evaluation of the 3 categories of performance as well as the summary award fee rating. It is important to recognize that during this evaluation period MOX Services' field team, primarily the construction organization, appeared to work better to plan, execute, control and complete work. However, during the evaluation period, the contractor's overall cost, schedule and technical performance was unsatisfactory. Additionally, decisions made by the company at large related to the most important contract deliverables and aspects of performance overshadowed any potential improvements made by the field team.

If you have any questions or comments, please contact me at 803-952-2020.

Sincerely,

Lance Nyman  
Lead Administrative Contracting Officer

NA-APM-17-0066

Enclosure: MFFF FY 2016 Detailed Report

cc w/Enclosure:

S. Cannon, NA-APM-1.4  
J. McCullough, NA-APM-1.4  
C. Brizes, NA-APM-1.4  
D. Faubert, NA-APM-1.4  
K. Buchanan, NA-APM-1.4  
S. Greene, NA-APM-1.4

A. Rischbieter, NA-APM-1.4  
R. Hamlett, NA-APM-1.4  
G. Pyles, NA-APM-123.1  
R. Person, NA-APM-20  
D. Del Vecchio, MOX Services  
G. Rousseau, MOX Services

P. Whittingham, MOX Services  
R. Keeler, MOX Services  
S. King, MOX Services  
M. Gober, MOX Services  
D. Ivey, MOX Services  
[MOXPMODCA@srs.gov](mailto:MOXPMODCA@srs.gov)

# Document 002



**1.3.1 Integrated Project Execution**

**Weight 90%**

<b>Amount Available</b>	<b>% Earned</b>	<b>\$ Earned</b>
<b>\$2,700,000</b>	<b>0%</b>	<b>\$0</b>

Criteria: The Contractor will effectively implement a fully integrated project organization focused on executing the MFFF Project in accordance with the contract in a responsive, cooperative, efficient, cost effective, and technically sound manner. This includes a right-sized integrated organization with personnel empowered to lead change and a disciplined conduct of project management, along with a set of systems, processes, and procedures executed in accordance with Department of Energy Order 413.3B and industry standards. The Contractor's project management system, processes, procedures, personnel, and organization are competent, rigorous, appropriately integrated, and agile for large, complex, and long duration projects. Principles outlined in the MOX Project Quality Assurance Plan and in a culture of a "Learning Organization and Continuous Improvement" are flowed down to all organizations, work products, processes, fabrications, installations, etc. Metrics are utilized to drive and accelerate positive performance with a focus on completion of activities while doing work right the first time. This includes the need to demonstrate significant improvement in improving unit rates and fully integrating the procurement cycle to provide all materials needed to work to a well sequenced schedule. The Contractor minimizes rework and idle time.

The Contractor's project management team shall demonstrate leadership within the organization, coordination and control of the large workforce, and equipment and material undertakings, by working to quality standards, optimizing the schedule, and integrating the supply chain while minimizing costs. The Contractor shall demonstrate competent project management by minimizing cost/schedule/scope project and contract changes while reducing costs through more efficient work sequences and higher productivity, leading to shorter activity durations. It will recognize that its priorities are to construct a facility in an efficient, cost effective, and technically sound manner. The construction organization will enable the people, materials, processes and work plans to come together seamlessly to drive the project to completion as scheduled and under budget. The construction systems shall be rigorous and support the appropriate level of planning, coordination, documentation, and actions necessary to comply with requirements with an overall commitment to improve job site efficiency and deliver the highest quality and value.

<b>Integrated Project Execution</b>	
<b>Above Expectations</b>	<p>The Contractor's project organization and management excels as a collaborative, integrated and productive set of teams working towards an agreed upon integrated project work plan. The teams excel in implementing principles of trust, transparent processes, effective collaboration, open information sharing, a theme of "team success is project success", shared risk and reward, value-based decision making and utilization of full technological capabilities and support. The project organization delivers the annual work plan scope ahead of schedule and under budget, and leads a continuous improvement culture that drives more efficient work processes and higher productivity through verifiable results. Contractor's management and staff are transparent with the Government and its own internal entities regarding issues requiring resolution. Contractor management continuously leads the organization by positive example and empowers staff to produce results-driven work performance. Problems, concerns, or questions raised by Government representatives are proactively responded to with exceptional level of detail/thoroughness. Changes are embraced that lead to superior performance that focuses on successful completion of design and construction ahead of schedule and under budget for the award fee period.</p>
<b>Met Expectations</b>	<p>The Contractor's project organization and management works as a collaborative, integrated and productive set of teams working towards an integrated project work plan. The teams work to principles of trust, transparent processes, effective collaboration, open information sharing, team success tied to project success, shared risk and reward, value-based decision making and utilization of full technological capabilities and support. The project organization delivers the approved annual work plan on schedule and on budget, and leads continuous improvement culture that drives more efficient work processes and higher productivity through verifiable results. Contractor's management and staff are open to the Government and its own internal entities regarding issues requiring resolution on the project. Contractor management generally leads the organization by positive example and empowers staff to produce results-driven work performance. Problems, concerns, or questions raised by Government representatives are responded to quickly and with appropriate level of detail/thoroughness. Changes are embraced that lead to better than average performance that focuses on the successful completion of design and construction on schedule and within budget for the award fee period.</p>
<b>Below Expectations</b>	<p>The Contractor's organization and management does not generally work as a collaborative, integrated and productive set of teams working towards an integrated project work plan. The teams generally do not work to principles of trust, transparent processes, effective collaboration, open information sharing, team success tied to project success, shared risk and reward, value-based decision making and utilization of full technological capabilities and support. The project organization does not always demonstrate behaviors with verifiable results and perform the annual work scope behind schedule and/or over budget, and do not lead a continuous improvement culture. Contractor's management and staff are generally not aligned with the Government and its own internal entities regarding project issues and resolutions. Contractor management does not actively lead the organization with positive examples and generally does not empower staff to produce results-driven work performance. Problems, concerns, or questions raised by Government representatives are not consistently responded to quickly and with appropriate detail/thoroughness. Changes are not embraced that focus on improved performance in completion of design and construction, do not meet schedule, or cost increases for the award fee period.</p>

**Evaluation:**

During the evaluation period, the contractor's overall cost, schedule and technical performance was unsatisfactory. While the contractor's team continued to evolve and make tactical improvements within management systems (primarily construction) processes, procedures, and personnel; overall implementation of an integrated project plan including project initiatives and improvements took longer and cost more to implement. The contractor was unable to balance project technical baseline



requirements with other elements of project performance, such as cost and schedule. The contractor lacked the fiduciary will to plan and execute work to fully benefit the project and taxpayer considering the current state of the project and the overall programmatic uncertainty. Key contract and project deliverables such as Estimate at Complete (EAC), Integrated Project Schedule (IPS) and monthly progress reports continued to reflect inaccurate cost/schedule data and inappropriately forecasted successor activities and corrective actions. This Project Management Control System breakdown has ultimately led to the MOX Services Earned Value Management System decertification. There continued to be a lack of transparency and openness in external communications with key project stakeholders by the contractor including continued release of misleading and inaccurate project information. The contractor continued to increase the amount of legal positioning and posturing throughout many of the project deliverables and activities including the submission of additional REAs, claims and notices of impact/change under the contract that did not have valid or plausible bases.

The contractor's field team appeared to work better together to understand and resolve near-term issues; however, the contractor's corporate support continued to reinforce and ignore larger systemic problems that required (i) greater recognition and acknowledgement of the problems, (ii) project re-planning, and/or (iii) re-engineering to overcome. Even though improved from 2015, there continued to be too many delays and impacts to planned and ongoing work and an overall increased amount of unfinished work and final attributes to be completed. There continued to be a lack of commitment to an integrated contractor assurance system with organizational accountability to quality for executing contractor system, processes and procedures through 2016. NNSA's inquiries and concerns into the basis of the contractor's decisions and the manner in which those decisions were communicated forced additional Government engagement to ensure the contractor's actions were prudent. This is aptly illustrated by the contractor's management of its procurement system, whereby it continued to spend resources proposing procurement activities that have not been defined within the schedule, integrated with the functional line organization, and are not critical to the overall project completion. This was further reinforced by the contractor's concerted focus on annual rate of spending and reaching "75% complete" versus appropriate spending on project critical activities, finishing work, and reducing future risk. The over 70% physical project completion figures reported by the contractor are patently false. The contractor also spent considerable effort and resources contending that NNSA's cost estimates, estimated percentage completion, and estimated project completion dates are inaccurate. However, when the contractor was provided the opportunity to establish a commitment to its asserted cost/schedule performance capabilities via a firm fixed price proposal, it did not provide a proposal, or commit to a date by which a proposal would be provided.

NNSA reviewed the contractor's FY2016 award fee self-assessment, dated October 27, 2016. In this self-assessment, the contractor rated itself as Excellent (92%) for the Integrated Project Management criteria, Excellent (91%) for the ES&H criteria, and Excellent (91%) for the Safeguards & Security criteria. Based on oversight throughout the year and available documentation, NNSA disagrees with the majority of the input provided by the contractor to justify its self-rating of Excellent (92%) for the Integrated Project Management criteria.

This is an example of an unbalanced report in lieu of a balanced, accurate, and comprehensive performance report that captures performance improvements, challenges and risks either addressed or overcome in 2016. NNSA paid for and was provided an incomplete and inaccurate document that will require additional work in order to ascertain and document the full set of facts. This situation is representative of the contractor's performance reporting throughout the year.

Nearly all of the evaluation input provided by the contractor related to the Integrated Project Management criteria can be categorized as follows:

1. Misleading or inaccurate input. A non-inclusive list of examples includes:



- “MOX Services maintains rigorous systems and processes to comply with applicable DOE orders, resulting in zero order non-compliance.”
  - This statement is inaccurate since NNSA identified concerns and findings provided evidence of non-compliance with DOE Orders during the evaluation period<sup>1</sup>.
  - “Provided the annual Estimate at Complete (EAC) for two funding scenarios on July 14, 2016, over two weeks ahead of the contract required date.” The EAC provided did not comply with contract requirements. MOX Services’ statement is also misleading considering its commitment to deliver the EAC on June 6<sup>th</sup> and NNSA’s authorization of overtime in support of that effort.
  - “With the improvements of established critical path definition and schedule logic the project has been able to continue schedule optimization activities, pulling the schedule back over six years.” The completion date (and other schedule dates) have continued to fluctuate significantly and inexplicably throughout the year, making this statement misleading since there is no defined and configuration controlled schedule baseline against which to measure the purported six-year schedule reduction.
  - “In FY2016 a detailed review of staffing requirements was performed in order to right size the organization to provide an acceptable level of service to our customer.” This statement is inaccurate since MOX Services committed to a 15% reduction in Level of Effort (LOE) personnel but only achieved an approximate 3% reduction.
  - The reported significant improvement in unit rates were misleading since the improvements were measured against the contractor’s unilaterally-determined goals instead of baseline unit rates.
2. Input that appears accurate, but does not describe performance that differs materially from previous periods, or describes performance that is simply within the contract scope. A non-inclusive list of examples includes:
- “Implementation of a Freeze Period (current month plus one month) to drive detailed control account planning.” This is not performance that differs from previous periods.
  - “Creation of a refresher class in Project Controls (PC) and Control Account Management (CAM).” This is not performance that differs from previous periods.
  - “Development of action item logs and tracking to drive sustainable solutions.” These are routine administrative practices, and are not innovative or noteworthy changes.
  - “Construction engineering took on the scope to field route conduit for the entire facility.” This is performance within the contract scope, and should have been completed before the 2016 rating period.
3. Input relating to actions that were initiated as a direct result of NNSA performance feedback. A non-inclusive list of examples includes:
- “Completion of a detailed analysis of Level of Effort (LOE) accounts to verify Earned Value (EV) designations.” This was identified by NNSA in NA-APM-16-0039 and NA-APM-16-0139.
  - “Management has recognized the need for improved management assessments and as such has begun the process for establishing an overall Contractor Assurance System (CAS).” This was identified by NNSA in NA-APM-16-0220.

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<sup>1</sup> For example: NA-APM-16-0220 documenting non-compliance with DOE Order 226.1B; NA-APM-16-0039 documented non-compliance with elements of the Earned Value Management System required by DOE Order 413.3B.



4. Input that appears accurate, and may constitute an improvement over the past year's performance, but simply mitigates (and is not sufficiently impactful to reverse) the cost and schedule increases caused by the contractor's previous inefficient performance. A non-inclusive list of examples includes:
  - "Integration meetings between Design, Construction Engineering and Construction for the B-303 corridor resulted in a collaborative, integrated team effort." The need for these meetings was created by MOX Services' design and issues with integration logistics. Although the meetings may result in improvements, the improvements will not be able to overcome cost and schedule performance caused by MOX Services' larger design performance and integration issues.
  - "Maintain over 40 acres of outdoor laydown area and over 315,000 square feet of indoor storage focusing on serving the MOX project..." The need for such a vast amount of storage space is due to supply subcontracts being awarded out of sequence and in advance of their need date.
  
5. Apparent genuine improvements. Although such items may not exceed what could reasonably be expected of a successful contractor, some areas of the contractor's performance did improve during the period. However, NNSA was not able to validate that any such actions had a demonstrable material positive impact on overall cost, schedule, or technical performance. A non-inclusive list of examples includes:
  - "Continued to improve on the Integrated Project Schedule (IPS), including improvement of critical path definition and schedule logic." NNSA is currently conducting an assessment to validate the status of the IPS. However, it is important to note that although this is a genuine improvement over previous periods, this type of action should have been completed before the 2016 rating period.
  - The contractor performed a trend analysis of weld failures and found that many failures resulted from inexperienced, newly qualified welders. An improvement item was implemented in which each new welder's first 3 welds were analyzed using radiography. It is possible that this improvement item will result in improvement from the contractor's historical performance of approximately 1 weld per day per welder.

Although there were some areas where the contractor's performance could have otherwise met the award fee criteria and reasonably justified some level of award fee; the small, incremental improvements it achieved had no demonstrable material positive impact on overall cost, schedule, or technical performance. Further, any such improvements were entirely subsumed and outweighed by the contractor's overall non-satisfactory performance across the most important contractual requirements, most notably with respect to (i) Submission of an Estimate at Complete (EAC) that did not comply with contract requirements and could not be analyzed for completeness or accuracy; (ii) a DOE-HQ review of MOX Services' Earned Value Management System that identified 20 Corrective Action Requests (CARs) documenting systemic and material internal control weaknesses and overall non-compliance<sup>2</sup>; (iii) an Integrated Project Schedule that remains of insufficient quality, resulting in the inability to demonstrate that planned work or procurements were necessary or required; and (iv) overall inefficient and ineffective project planning and execution.

The contractor's Management Team continued to impose unnecessary activities upon the Government due to poor functional performance, lack of planning, lack of attention to detail, and continued misaligned

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<sup>2</sup> The review was completed within the rating period. As a result of the review, MOX Services' EVMS was decertified in November 2016, which is outside this evaluation period.

corporate posturing. The contractor's actions to date do not appear to have improved from the concerns NNSA documented in the FY2015 Award Fee report or the FY2015 Contractor Performance Assessment Reporting System (CPARS) report.

Further it is important to recognize that the government's evaluation of the contractor's performance under the award fee rating construct differs from that under the CPARS rating construct. Specifically, the award fee earned by the contractor "shall be commensurate with the contractor's overall cost, schedule, and technical performance as measured against contract requirements in accordance with the criteria stated in the award-fee plan," and further "award fee shall not be earned if the contractor's overall cost, schedule, and technical performance in the aggregate is below satisfactory"<sup>3</sup>. Thus, award fee evaluations are limited to the criteria included in the award fee plan, which is significantly narrower in scope (in the case of the instant contract) than CPARS evaluations, which consider performance relative to overall "contractual requirements"<sup>4</sup>. Therefore, areas of positive performance that may have been sufficient to warrant positive evaluation under the award fee criteria may be immaterial when considering the size, scope, and complexity of overall contractual requirements.

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<sup>3</sup> FAR 16.401(e)(2)

<sup>4</sup> FAR 42.1503, Table 41-2



**1.3.2 Environmental, Safety and Health (ES&H) Weight 5%**

<b>Amount Available</b>	<b>% Earned</b>	<b>\$ Earned</b>
<b>\$150,000</b>	<b>88%</b>	<b>\$132,000</b>

**1.3.2.1 Safety Management System**

Criteria: Contractor will continually strive to prevent and eliminate unsafe conditions and at risk behaviors through the implementation of the MOX Services Safety Management System (SMS). Contractor will take action to resolve unsafe conditions/ acts and strive to ensure similar conditions or acts do not recur by adopting best industry practices as practicable. This is demonstrated through maintaining the Voluntary Protection Plan (VPP) status and receipt of zero formal notices of violation from OSHA.

Evaluation:

The contractor's Volunteer Protection Program (VPP) and continuation of STAR status within the VPP was recertified by OSHA on March 24, 2016. During the evaluation period the contractor conducted joint weekly safety walk-downs with the MOX PMO; convened Accident Review Boards (ARBs) as necessary to evaluate injuries and near misses; held regular Field Safety Committee meetings to bring forth safety issues from the craft; continued to have strong participation in the MOX Positive Reinforcement by Observing Safety (PROS) Committee; and formed an Office Safety Committee and chartered an Environmental Committee.

Other Safety Initiatives/Activities:

1. The Mentor-Protégé program for new employees was reviewed; a Mentor Program Specialist position was created and the program is proceeding towards full implementation.
2. Improvements were made to the Daily Toolbox meeting program such as utilization of current events and opportunities as topics for the meetings and creation of a Monthly Safety Calendar to help various work groups stress similar safety topics during routine meetings.
3. All-Hands Craft Safety Meetings increased from one each month to two.
4. A Tool Tether initiative was implemented to reduce the number of dropped objects.
5. Based on IH sampling data, the requirement to use LEV when TIG welding stainless was lifted, as the existing controls were found to be excessive and overly restrictive. LEV is still required for other types of welding.
6. An Emergency Response Team was formed and is being trained to provide first aid level care of injuries.

**1.3.2.2 ES&H - Incident Rates**

Criteria: Contractor will collect injury/illness data and exposure hours for the integrated project team personnel, including prime and subcontractor employees working at the MOX FFF. Contractor will report injury/illness data in the following format. Contractor construction organization will strive to have Incident Rates equal to or better than the most recent rates published by the Bureau of Labor Statistics for Heavy and Civil Engineering Construction (NAICS Code 237). CY2013 data indicates this segment averaged a Total Recordable Cases (TRC) Rate of 3.2 per 200,000 hours of exposure and a Days away/Restricted (DART) Rate of 1.80 per 200,000 hours of exposure. Rates exceeding DOE construction contractors, as a group, would be considered substantially exceeding performance. DOE contractors, as a

group, averaged a TRC Rate of 1.0 per 200,000 hours of exposure and a DART Rate of 0.5 per 200,000 hours of exposure for CY 2014.

100%	Both the TRC and DART rates are less than 3/4ths the DOE Construction Contractor average rate: TRC<=0.75 and DART<= 0.375.
90%	Both the TRC and DART rates are below the DOE Construction Contractor average rate: TRC<=1.0 and DART<= 0.50.
70%	Both the TRC and DART rates are below the noted Industry Averages, but one rate for the DOE Construction Contractor average rates does not meet the 90% sub-criterion definition.
40%	Both the TRC and DART rates are below the noted Industry Averages.
20%	At least one of the rates is higher than the Current Industry Average, and/or the project experiences a significant work-related injury or illness.
0%	The project experiences a fatality or other significant injury or illness.

Evaluation:

The TRC rate for the period was 0.92 and the DART rate was 0.38, which equates to a score of 90%. The contractor's employees completed 24,558,236 safe work-hours without a lost work day due to a work-related injury or illness, a string of work-hours that started on August 10, 2010. On February 15, 2016, an employee was helping coworkers put up plastic across an opening in preparation for applying protective paint to a concrete wall. After the top half was complete, they started to do the bottom half and the plastic slipped out of their hands. When the employee bent down to pick up the plastic he lost his balance and fell on his right knee, breaking both bones in his lower leg. This resulted in the number of work-hours without a lost work day to be reset to zero. The project has begun a new run of work hours without a lost time injury by completing over 2,000,000 safe work-hours as of the end of the Fiscal Year. To date there have been no formal notices of violation from OSHA and overall safety performance is trending in a positive direction.

**1.3.2.3 ES&H – Reporting**

Criteria: MOX Services will perform environment, safety, and health reporting as required by NNSA letter Cannon to Del Vecchio NA-APM-15-0039 dated January 7, 2015 or subsequent revisions. Such notifications should normally be made within two (2) hours of event discovery, and will be for events such as off-site transportation for work-related illness/injury, regulatory violations, near misses, excessive release of hazardous substances, or safety stand-downs. Contractor will effectively classify incidents and occurrences, notify NNSA of occurrences when required, and perform follow-up event analysis and reporting activities.

100%	All notifications made within 2 hours, unless the time of discovery prevented notification within 2 hours
75%	Two (2) notifications fall outside the 2-hour time limit but are made within 24 hours



50%	Four (4) notifications fall outside the 2-hour time limit, but are made within 24 hours
0%	Five (5) or more times MOX Services fails to implement NNSA requirements for incident reporting

Evaluation:

During the evaluation, most but not all of the required incidents reports to NNSA were made within two (2) hours of the event as requested in letter NA-APM-16-0028, Notification of Reporting Safety and Environmental Events to the National Nuclear Security Administration MOX Project Management Office, NA-APM-1.4, dated November 16, 2015. [NOTE: Letter NA-APM-16-0028 superseded letter NA-APM-15-0039, which is identified within the criterion.] At the beginning of this rating period there were two events that were not completed within the two hour notification criteria, which equates to a 75% score. For the first non-compliant event, on December 18, 2015, a subcontractor employee was transported off-site for medical attention and this was not reported to NNSA until much later that afternoon, exceeding the 2-hour notification requirement. For the second non-compliant event, on April 4, 2016 the contractor reported a near miss of a dropped object in the Active Gallery that occurred on March 31, 2016, in which a 2 ft. length of 2x1/4 flat bar was dropped in the Active Gallery and fell within five feet of a worker.

**1.3.2.4 ES&H – Emergency Preparedness**

Criteria: MOX Services will proactively identify and exercise measures that are intended to provide maximum protection for personnel in the event of an emergency. MOX Services shall ensure that personnel are trained in the types of evacuations to be used in emergency circumstances as required by 29 CFR 1926.35 and 1910.38. MOX Services may be impacted by emergencies that also affect other areas of SRS. These emergencies could include radiological releases, severe weather, or fires, as well as other events. The MOX Services will coordinate with the SRNS Emergency Management organization to ensure a seamless response to such emergencies. MOX Services will maintain a fully functional public address system for the portion of the PA system that is owned by MOX Services.

100%	MOX Services conducts at least one fire drill in each occupied office building (BAD, BTS, MAC, CAC, EEC, and PAF), maintains a fully functional public address system, and participates in the overall SRS emergency management program. Contractor successfully conducts at least one drill per year, which is the annual high wind event exercise. Deficiencies identified are rapidly resolved.
50%	MOX Services simply relies upon initial training for personnel awareness and only participates in one drill per year, the annual high wind event exercise.
0%	Contractor fails to maintain training, loses focus on emergency management requirements, or fails to perform its mission within the overall SRS emergency management program.

Evaluation:

During this rating period, the contractor successfully participated in the F-Area Shelter Drill that focused on Severe Weather. Rally point signs for the different area were enlarged and installed to provide a better visual indication of the locations. MOX hosted a visit from the Savannah River Site Fire Department to increase Fire Department Leadership familiarization with the MOX site, as well as provide information



regarding confined spaces. MOX conducted two critiques on incident responses during the evaluation period. One critiqued the response to a heart attack and the second critiqued the response to a broken leg. Signage was placed in the parking lots to help guide emergency responders to the incident scene location in the event of an emergency and additional AEDs were purchased to be placed in remote areas. Fire drills were conducted for each of the occupied office buildings.

### **1.3.2.5 ES&H Environmental Management Program**

Criteria: Contractor will maintain an environmental management program that complies with all applicable DOE Orders, laws, rules, and regulations. This is demonstrated through zero (0) permit violations by EPA or SCDHEC. Contractor will promote continuous improvement through its Environmental Management System (EMS). Contractor will seek implementation of pollution prevention, waste minimization, and cost-effective sustainability opportunities. Continuous improvement is demonstrated by compliance with DOE 450.1A, maintenance of EMS and continuous enhancement of Environmental programs and activities.

Evaluation:

The contractor provided satisfactory support in the area of environmental oversight for the site. Storm water and erosion control features were satisfactorily maintained and any issues were promptly addressed and resolved. NNSA assessments of the contractor's storm water and erosion control practices were done for all four quarters of FY 2016<sup>5</sup> with no findings or concerns identified as a result of these assessments. There were ten spills during the subject rating period consisting of small amounts in the one quart to several quarts range and typically involved hydraulic or motor oil from mobile equipment. The largest single spill was four gallons of antifreeze from an air compressor. No spill exceeded its respective reportable quantity. The responses, including applicable notifications, for all of these spills were prompt and effective. The contractor's containment and cleanup actions prevented the waters of the state from being impacted for each case.

There were two independent reviews conducted during the subject rating period. A Pre-Compliance Evaluation Inspection (CEI) was conducted in March by SRNS Subject Matter Experts in order to ensure compliance with the state's hazardous waste management regulations. Only two items of note were found during this inspection. Both pertained to missing documentation: one was a training record and the other involved some missing inspection records. Both of these records were located within a week. Per DOE Order 450.1A, Environmental Protection Program, an audit of the contractor's EMS is to be conducted every 3 years by an outside auditor; this was done in April. The results of this assessment were that the MOX Environmental Program is functioning well and meets the requirements of the DOE Order. There were no findings. There were no notices of violations or permit exceptions issued by the State during FY 2016.

In accordance with EPA requirements, the contractor completed integrity testing of their above ground fuel storage tanks in September; the final report for this testing is forthcoming. The contractor was able to make considerable reductions in fuel consumption by converting to site electrical power which has enabled them to discontinue use of several portable generators. The contractor created an environmental intranet page in order to improve environmental communications. MOX ESH continues to make improvements in training efforts and ensures that the staff receives appropriate training in environmental topics, including hazard communication.

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<sup>5</sup> MOX-AR-16-0018; MOX-AR-16-0041; MOX-AR-16-0056, and MOX-AR-16-0082

The contractor managed the ES&H Environmental Program in an effective and efficient manner and overall performance has been satisfactory. Applicable rules and regulations have been followed and there were no violations of environmental permits during FY 2016.

**1.3.3 Safeguards and Security Weight 5%**

Amount Available	% Earned	\$ Earned
\$150,000	90%	\$135,000

**1.3.3.1 Cyber Security – Cyber Incidents**

100%	There are no cyber incidents in the last 12 months (rolling sum), and there are no network penetrations, and no malware installations.
50%	There are seven (7) cyber incidents in the last 12 months (rolling sum), or there are 2 network penetrations, or 2 malware installations.
0%	There are fourteen (14) cyber incidents in the last 12 months (rolling sum), or there are 2 network penetrations, or 2 malware installations.

Evaluation: There was one (1) cyber security incident in FY 2016 when a contractor employee transmitted unmarked Unclassified Controlled Nuclear Information (UCNI) to a home account. There were zero (0) network penetrations, and zero (0) malware installations for FY 2016. This represents 80.1% performance for FY2016.

**1.3.3.2 Security Awareness – OPSEC Facility Reviews**

100%	Seven (7) or more walk downs completed in agreed time frame.
50%	Four (4) walk downs completed in agreed time frame.
0%	One or no walk downs completed in agreed time frame.

Evaluation: There were at least seven (7) planned OPSEC Facility walk downs performed in each of the agreed time frames (monthly) for FY 2016.

**1.3.3.3 Security Awareness – Computers found unlocked and unattended and documents found unsecured during reviews (per month)**

100%	Up to Two (2) computers are found unlocked and unattended or documents found unsecured during reviews.
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50%	Ten (10) computers are found unlocked and unattended and/or documents found unsecured during reviews.
0%	Twenty (20) or more computers are found unlocked and unattended and/or documents found unsecured during reviews.

Evaluation: This performance indicator varied widely from month to month during FY 2016 as indicated in the table below:

Month	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
# Unsecured Computers	4	6	1	0	2	5	4	1	6	4	13	7
# Unsecured Documents	0	1	0	0	0	0	0	0	1	0	1	7

This represents 80.1% performance for FY 2016.

#### 1.3.3.4 Security Program – Incident Rate

100%	No security incidents.
50%	Three (3) security incidents.
0%	Seven (7) or more security incidents.

Evaluation: There was one (1) non-cyber security incident in FY 2016 when a contractor employee transmitted unmarked Unclassified Controlled Nuclear Information (UCNI) to a home account. This represents 83.3% performance for FY2016.

#### 1.3.3.5 Security Program – Self Assessments (SA)

100%	All assessments are completed on schedule and with a high level of quality.
50%	Five (5) assessments are not completed on schedule or there are quality issues with the assessments.
0%	Eight (8) or more assessments are not completed on schedule, or there are quality issues with the assessments.

Evaluation: Fifteen self-assessments were completed during FY2016; all were completed on schedule and with a high level of quality.



**1.3.3.6 Security Program – Improvement/Corrective Actions/Findings**

100%	Improvements/Corrective Actions/Findings are completed on time and in a quality manner.
50%	Fewer than 10% or Improvements/Corrective Actions/Findings are not completed on time, and/or are inadequately closed.
0%	Greater than 10% of the Improvements/Corrective Actions/Findings are not completed on time, and/or are inadequately closed.

Evaluation: All FY 2016 Improvements/Corrective actions/Findings were completed on time and all were completed in a quality manner and appropriately closed.