



## **Livermore Site Office News**

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### **NNSA LIVERMORE SITE OFFICE AWARDS** **LABORATORY FISCAL YEAR 2008 FEE**

Livermore, CA --- The National Nuclear Security Administration (NNSA), Livermore Site Office has completed its assessment of Lawrence Livermore National Security, LLC's fiscal year 2008 performance in managing Lawrence Livermore National Laboratory. Based on this assessment in coordination with NNSA headquarters, Lawrence Livermore National Security, LLC was awarded a total fee of \$37,658,235 (approximately 70 percent) out of a possible \$53,742,169 available for the management and operation of Lawrence Livermore National Laboratory in fiscal year 2008 (October 1, 2007 – September 30, 2008), which was the first year of the new contract.

Effective October 1, 2007, the management and operation of Lawrence Livermore National Laboratory transitioned from the University of California to Lawrence Livermore National Security, a limited liability corporation which includes Bechtel National, Inc., the University of California, Babcock and Wilcox., Washington Division of URS Corporation, and Battelle.

“The earned fee of \$37,658,235 consists of fixed fee of \$21,862,651 (including \$8.2 million Work for Others fees) and at-risk fee of \$15,795,584 out of the \$21,862,651 and \$31,658,235 available, respectively,” said NNSA Livermore Site Office manager Alice C. Williams. “The earned fee was based on NNSA’s assessment of the Contractor’s performance against the objectives, measures, and targets set forth in the Performance Evaluation Plan for fiscal year 2008. Lawrence Livermore National Security earned a rating of ‘outstanding’ for its performance in the Mission category, a rating of ‘satisfactory’ for its performance in Operations, and a rating of ‘good’ for its performance in Institutional Management,” she said.

The “outstanding” rating for the Mission category reflects accomplishments in the scientific and technical fields. In fiscal year 2008, Lawrence Livermore National Security achieved many

significant accomplishments in support of both NNSA's Stockpile Stewardship Program and its National Security Mission. The National Ignition Facility construction project was executed in accordance with its approved baseline. Lawrence Livermore National Security significantly improved the understanding of the performance of nuclear weapons in a way that can be used to address risk and risk mitigation through technical reviews, computer modeling, and materials testing. High performance computing facilities are critical to the Stockpile Stewardship Program and Lawrence Livermore National Security continues to be a world leader in the field, with a national users program committee effectively allocating the heavily sought after capability computing time. Lawrence Livermore National Security exceeded NNSA goals for the removal of special nuclear material from the Lawrence Livermore National Laboratory site and continued to perform world leading science despite significant reductions in staff. Finally, Lawrence Livermore National Security continued to make advancements in technical capabilities supporting nonproliferation and threat reduction.

The "satisfactory" rating for the Operations category reflects performance in critical operations and infrastructure support functions such as Environment, Safety, and Health, as well as Safeguards and Security. In environmental compliance activities, Lawrence Livermore National Security met external regulatory requirements and submitted quality deliverables consistent with regulations, permits, and agreements. Issues remain regarding implementation of a full integrated Environmental Management System. Overall, Lawrence Livermore National Security conducted its operations in both a safe and secure manner during the performance period, making improvements to its Nuclear Safety Program and its Security Programs while successfully performing Mission work. However, issues were identified concerning the adequacy of the Chronic Beryllium Disease Prevention Program as well as Physical Security and Information Security Programs. Lawrence Livermore National Security has implemented numerous corrective actions and continues to make improvements in Security.

The "good" rating for the Institutional Management category reflects performance in business systems, public affairs, and management of the laboratory. Lawrence Livermore National Security upgraded its financial systems and successfully executed a challenging workforce restructuring that significantly reduced the size of the workforce. It also made progress in implementing a new Contractor Assurance System. The loss of several key Lawrence Livermore National Laboratory managers was a concern.

Established by Congress in 2000, NNSA is a semi-autonomous agency within the U.S. Department of Energy responsible for enhancing national security through the military application of nuclear science in the nation's national security enterprise. NNSA maintains and enhances the safety, security, reliability and performance of the U.S. nuclear weapons stockpile without nuclear testing; reduces the global danger from weapons of mass destruction; provides the U.S. Navy with safe and effective nuclear propulsion; and responds to nuclear and radiological emergencies in the U.S. and abroad. Visit [www.nnsa.energy.gov](http://www.nnsa.energy.gov) for more information.