

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT			1. CONTRACT ID CODE AC	PAGE 1 of 3 PAGES
2. AMENDMENT/MODIFICATION NO. A177	3. EFFECTIVE DATE See Block 16C	4. REQUISITION/PURCHASE REQ. NO. NOPR	5. PROJECT NO. (If applicable)	
6. ISSUED BY U.S. Department of Energy National Nuclear Security Administration P.O. Box 2050 Oak Ridge, TN 37831		7. ADMINISTERED BY (If other than Item 6) CODE		
8. NAME AND ADDRESS OF CONTRACTOR (No., street, county, state, ZIP Code) Babcock & Wilcox Technical Services Y-12, LLC P.O. Box 2009 MS 8014 Oak Ridge, TN 37831-8014		9A. AMENDMENT OF SOLICITATION NO.		
CODE		9B. DATED (SEE ITEM 11)		
FACILITY CODE		10A. MODIFICATION OF CONTRACT/ORDER NO. DE-AC05-00OR22800		
		10B. DATED (SEE ITEM 13) August 31, 2000		

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers is extended, is not extended.

Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation as amended, by one of the following methods:
 (a) By completing Items 8 and 15, and returning _____ copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. ACCOUNTING AND APPROPRIATION DATA (If required): This action obligates \$328,894,670.48

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

	A. THIS CHANGE ORDER IS ISSUED PURSUANT TO (Specify authority): THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.
	B. THE ABOVE-NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (Such as changes in paying office, appropriation date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b).
X	C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF: P.L. 95-91, clauses 1.144 Obligation of Funds, DEAR 952.215-70, Key Personnel
	D. OTHER (Specify type of modification and authority):

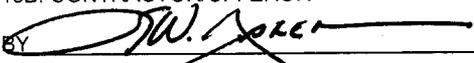
E. IMPORTANT: Contractor is required to sign this document and return 2 copies to the issuing office.

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

The purpose of this modification is to obligate funding, amend Attachment D – Key Personnel, add clauses H. 60 Strategic Initiative clause, and the DOE 952.211-71 Priorities and Allocations (Atomic Energy) (Apr 2008) and provide a DPAS rating of DO E-2.

See Page 2

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

15A. NAME AND TITLE OF SIGNER (Type or print) Scott W. Baker, Senior Vice President Business Services		16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print) Jill Y. Albaugh Contracting Officer	
15B. CONTRACTOR/OFFEROR BY 	15C. DATE SIGNED 10/30/08	16B. UNITED STATES OF AMERICA BY  (Signature of Contracting Officer)	16C. DATE SIGNED 10/30/08

1. Pursuant to the provisions of Clause I.144, the first sentence of paragraph (a) is hereby changed to read as follows: "The amount presently obligated by the Government with respect to this contract is \$ 6,393,026,108.22

This represents an increase of \$328,894,670.48 from \$6,064,131,437.74 to 6,393,026,108.22 (\$3,416,296,389.13 obligated by Oak Ridge Office and \$2,976,729,719.09 obligated by the NNSA Service Center). \$3,100,000.00 of the total obligated amount is for transition activities. This change is the result of a net increase by the NNSA Service Center on FY 2009 Approved Funding Programs No. 1 and 2.

2. Reference clause I.105 DEAR 952.215-70, Key Personnel. Section J, Attachment D – Key Personnel is amended as follows:

Delete: Senior Vice President, Chief Human Capital Officer Debra Shecterle

Add: Director, Human Resources Donna J. Hampton

3. DEAR 952.211-71 PRIORITIES AND ALLOCATIONS is added to the contract as follows:

I.170 DEAR 952.211-71 PRIORITIES AND ALLOCATIONS (ATOMIC ENERGY) (APR 2008)

The Contractor shall follow the provisions of Defense Priorities and Allocations System (DPAS) regulation (15 CFR Part 700) in obtaining materials (including equipment), services, or facilities needed to fill this contract.

[End of Clause]

[73 FR 10980 February 29, 2008]

4. Pursuant to the DEAR 952.211-71 Priorities and Allocations clause, this contract is rated DO E-2.

The Rating block is blank on the original contract SF 33 Solicitation, Offer and Award. The DO E-2 should have been annotated at time of award.

5. The Strategic Initiatives clause is added to the contract and attached to this modification. It is incorporated into the contract as clause H.60. The clause is attached as page 3 of this modification.

All other terms and conditions remain unchanged.

End of Modification

H. 60 STRATEGIC INITIATIVES

- (a) The Contractor shall participate with NNSA and other NNSA M&O contractors as part of an "enterprise organization" to evaluate, plan, develop and implement strategic initiative activities that optimize mission, laboratory, and business operations across the Nuclear Weapons Complex. The goal of these initiatives is to increase the efficiency and cost effectiveness of the NWC from a business and mission perspective.
- (b) Strategic business and management initiatives should result in reduced operational costs complex-wide, more consistent work practices and operational processes, better pricing, better products, more timely delivery, reduced administrative costs and lead times for both the contractor and the NNSA, greater standardization and interchangeability across the NWC, and increased awards to small business entities.
- (c) Strategic mission initiatives should result in timely fulfillment of mission goals such as weapon design, development and production.
- (d) The Contractor shall cooperate with NNSA and NWC facilities in identifying potential cross-NWC benefits to be derived from implementing common practices and goals across the NWC in the following areas:
 - (1) Mission Workload Support.
 - i. Nuclear Weapons
 - ii. Nuclear Non-Proliferation
 - iii. Emergency Operations
 - iv. Infrastructure and Environments
 - v. National Security
 - (2) Enterprise Functional Support
 - i. Enterprise Finance Operations.
 - ii. Enterprise Property Operations
 - iii. Enterprise Human Resource Operations
 - iv. Enterprise Procurement Operations
 - v. Enterprise information technology
 - vi. Other business/management processes common to all or groups of NWC facilities
- (e) The Contractor shall support these and other initiatives that result in a shift to Enterprise-Led Organizations with the lead assigned based on the contractor who possesses the most expertise and experience level within the complex.
- (f) The Contractor and NNSA will negotiate annual multi-site performance objectives with measurable performance outcomes of their involvement in strategic initiative efforts that would result in operational efficiencies and reduce cost overall for the Government.

H. 6.0 STRATEGIC INITIATIVES

- (a) The Contractor shall participate with NNSA and other NNSA M&O contractors as part of an "enterprise organization" to evaluate, plan, develop and implement strategic initiative activities that optimize mission, laboratory, and business operations across the Nuclear Weapons Complex. The goal of these initiatives is to increase the efficiency and cost effectiveness of the NWC from a business and mission perspective.
- (b) Strategic business and management initiatives should result in reduced operational costs complex-wide, more consistent work practices and operational processes, better pricing, better products, more timely delivery, reduced administrative costs and lead times for both the contractor and the NNSA, greater standardization and interchangeability across the NWC, and increased awards to small business entities.
- (c) Strategic mission initiatives should result in timely fulfillment of mission goals such as weapon design, development and production.
- (d) The Contractor shall cooperate with NNSA and NWC facilities in identifying potential cross-NWC benefits to be derived from implementing common practices and goals across the NWC in the following areas:
 - (1) Mission Workload Support.
 - i. Nuclear Weapons
 - ii. Nuclear Non-Proliferation
 - iii. Emergency Operations
 - iv. Infrastructure and Environments
 - v. National Security
 - (2) Enterprise Functional Support
 - i. Enterprise Finance Operations.
 - ii. Enterprise Property Operations
 - iii. Enterprise Human Resource Operations
 - iv. Enterprise Procurement Operations
 - v. Enterprise information technology
 - vi. Other business/management processes common to all or groups of NWC facilities
- (e) The Contractor shall support these and other initiatives that result in a shift to Enterprise-Led Organizations with the lead assigned based on the contractor who possesses the most expertise and experience level within the complex.
- (f) The Contractor and NNSA will negotiate annual multi-site performance objectives with measurable performance outcomes of their involvement in strategic initiative efforts that would result in operational efficiencies and reduce cost overall for the Government.