

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT		1. CC	ACT ID CODE AC	PAGE OF PAGES 1 6	
2. AMENDMENT/MODIFICATION NO. M103	3. EFFECTIVE DATE See Block 16.c	4. REQUISITION/PURCHASE REQ. NO. NOPR		5. PROJECT NO. (If applicable)	
6. ISSUED BY CODE		7. ADMINISTERED BY (If other than Item 6) CODE			
U. S. Department of Energy National Nuclear Security Administration P. O. Box 2001 Oak Ridge, TN 37831					
8. NAME AND ADDRESS OF CONTRACTOR (No., street, county, State and ZIP Code)		()	9A. AMENDMENT OF SOLICITATION NO.		
BWXT Y-12, L.L.C. P.O. Box 2009 MS 8014 Oak Ridge, TN 37831-8014		<input type="checkbox"/>	9B. DATED (SEE ITEM 11)		
		<input checked="" type="checkbox"/>	10A. MODIFICATION OF CONTRACT/ORDER NO. DE-AC05-00OR22800		
			10B. DATED (SEE ITEM 13) August 31, 2000		
CODE	FACILITY CODE				

11. THIS ITEM 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 or 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 ACKNOWLEDGEMENT 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)

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

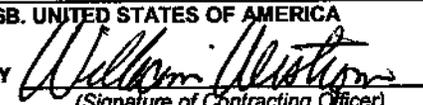
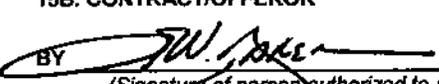
CHECK ONE	A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT/ORDER NO. IN ITEM 10A.
<input type="checkbox"/>	
<input type="checkbox"/>	B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b).
<input type="checkbox"/>	C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:
<input checked="" type="checkbox"/>	D. OTHER (Specify type of modification and authority) Public Law 95-91 and Mutual Agreement

E. IMPORTANT: Contractor ___ is not X 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.)

See Page 2

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

15A. NAME AND TITLE OF SIGNER (Type or print) Scott Baker, Manager Contracts and Special Initiatives Division		16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print) William W. Wistrom Contracting Officer	
15B. CONTRACT/OFFEROR	15C. DATE SIGNED 2-10-05	16B. UNITED STATES OF AMERICA BY  (Signature of Contracting Officer)	16C. DATE SIGNED 2/10/05
BY  (Signature of person authorized to sign)			

The purpose of this modification is to delete Clause B.2 and replace it with the following in order to reflect the revised available and earned amounts of fee for FY 2004, to add information concerning the revised fee policy to be in effect starting in FY 2005, and to show the available fee amount for FY 2005 including the allocation between Award Fee and Performance Based Incentives.

**B.2 TRANSITION COST, ESTIMATED COST, MAXIMUM AVAILABLE FEE,
AND AVAILABLE FEE**

(a) Estimated Cost:

- (1) The term of the transition period is from September 1, 2000 through October 31, 2000. The transition period will be on a cost reimbursement basis and the estimated cost will be negotiated after contract award.
- (2) The Estimated Cost of the Fiscal Year (FY) 2001 period of performance is \$567,376,000 (including fee).
- (3) The Estimated Cost of the Fiscal Year (FY) 2002 period of performance is \$634,411,000 (including fee).
- (4) The Estimated Cost of the Fiscal Year (FY) 2003 period of performance is \$674,299,000 (including fee).
- (5) The Estimated Cost of the Fiscal Year (FY) 2004 period of performance is \$719,428,000 (including fee).

(b) Fee:

- (1) The Estimated Fee Base as defined in Department of Energy Acquisition Regulations (DEAR) 970.15 for FY 2001 is \$484,177,068. The proposed Maximum Available Fee for FY 2001 is \$22,000,000.

The Estimated Fee Base for FY 2002 is \$527,634,396. The Maximum Available Fee for FY 2002 is \$22,000,000.

The Estimated Fee Base for FY 2003 is \$602,760,811. The Maximum Available Fee for FY 2003 is \$22,940,552.

The Estimated Fee Base for FY 2004 is \$633,649,655. The Maximum Available Fee for FY 2004 is \$26,200,000.

- (2) The Maximum Available Fee as proposed and set forth in (b)(1) above for FY 2001 shall also serve as the Maximum Available Fee for FY 2002 - FY 2005 and Option Years FY 2006 - FY 2010 unless the Estimated Fee Base for a given fiscal year deviates by more than plus or minus 15% from the Estimated Fee Base set forth above for FY 2001. The proposed Maximum Available Fee shall be applicable to the prime contractor and its members in a joint venture or limited liability company, teaming partners, and subcontractors identified and considered as part of the selection and award of this contract, if any.
- (3) In the event the Estimated Fee Base deviates for any fiscal year more than plus or minus 15% from the Estimated Fee Base set forth in (b)(1) above, the Contractor agrees to negotiate with the U.S. Department of Energy (DOE) an equitable adjustment to the Maximum Available Fee amount to reflect the impact of such deviation. The new Maximum Available Fee for that fiscal year will be the amount calculated by DOE in accordance with DEAR 970.15 (consistent with the FY 2001 fee computation methodology), multiplied by the ratio of the proposed FY 2001 Maximum Available Fee in (b)(1) above and \$23,198,932. In the event the parties are unable to reach agreement on the Maximum Available Fee amount, the Government reserves the right to unilaterally establish the Maximum Available Fee amount.
- (4) The Available Fee for FY 2001 - FY 2005 and Option Years FY 2006 - FY 2010 will be negotiated annually (or any other period as may be mutually agreed to between the parties) between the Contractor and the Government. The Available Fee will be equal to or less than the Maximum Available Fee defined in (b)(1) above. The Available Fee shall be established considering the level of complexity, difficulty, cost effectiveness, and risk associated with specific objectives/incentives defined in the Performance Evaluation Plan (PEP), including work involving multiple-site taskings/objectives. Higher or lower levels of complexity, difficulty, cost effectiveness, and risk will correspondingly allow a higher or lower available fee. The portion of this Available Fee defined as award fee or comprehensive incentive versus performance-based incentives will be determined for each period during the negotiation of the requirements in the PEP. In the event the parties are unable to reach agreement on the Available Fee amount, the Government reserves the right to unilaterally establish the Available Fee amount. The Contract will be modified to reflect the Available Fee for each period.
- (5) RESERVED
- (6) The fee amounts Available and Earned for the specified Contract Periods are set forth below:

Contract Periods

Amount

November 1, 2000, through September 30, 2001

Available

Award Fee	\$ 8,570,808
Performance-Based Incentives	<u>\$ 11,595,858</u>
Total	\$ 20,166,666

Earned

Award Fee	\$ 7,530,985
Performance-Based Incentives	<u>\$ 8,604,587</u>
Total	\$ 16,135,572

October 1, 2001, through September 30, 2002

Available

Award Fee	\$ 6,692,250
Performance-Based Incentives	<u>\$ 15,307,750</u>
Total	\$ 22,000,000

Earned

Award Fee	\$ 5,554,568
Performance-Based Incentives	<u>\$ 13,758,121</u>
Total	\$ 19,312,689

October 1, 2002, through September 30, 2003

Available

Comprehensive Fee	\$ 12,054,996
Performance-Based Incentives	<u>\$ 10,885,556</u>
Total	\$ 22,940,552

Earned

Comprehensive Fee	\$ 10,849,496
Performance-Based Incentives	<u>\$ 10,339,015</u>
Total	\$ 21,188,511

October 1, 2003, through September 30, 2004

Available

Comprehensive Fee	\$ 16,310,939
Performance-Based Incentives	<u>\$ 9,889,061</u>
Total	\$ 26,200,000

Earned

Comprehensive Fee	\$ 15,810,939
Performance-Based Incentives	<u>\$ 9,074,251</u>
Total	\$ 24,885,190

Fee for the above period will be earned by the contractor based on performance related to both the comprehensive fee performance objectives and the performance based incentives which are contained in the Performance Evaluation Plan.

(7) There will be no fee paid for the transition period.

(c) Beginning in Fiscal Year 2005 the maximum potential fee and the actual available fee for each fiscal year will be established by NNSA prior to the commencement of the applicable fiscal year in accordance with NNSA Policy Letter: BOP-003.0501 dated January 10, 2005. and incorporated into paragraph (c)(5) below by modification.

(1) Up to thirty-five percent (35%) of the total available fee pool shown in (c)(5) below for a given contract period may be paid to the Contractor provisionally in equal monthly increments of one-twelfth (1/12) of the total available fee pool amount per month. This provisional fee payment is the only fee payment that will be made prior to the final fee determination. The final determination of fee will be made by the Fee Determining Official (FDO), in accordance with the fee clauses of this contract. In the event that overpayment results from the payment of fee on a provisional basis, the Contractor shall reimburse such

overpayment to the Government upon demand, payable with interest in accordance with the Section I clause entitled "Interest".

- (2) Estimated Budget - The Estimated Budget amount for FY 2005 is \$692,148,000.
- (3) Work for Others - The Work for Others fee percentage for FY 2005 is 3.91% (85% of 4.6%)
- (4) Cash Work - The amount of fee for work accomplished for other Management and Operating contractors will be negotiated between the two contractors.
- (5) The fee amounts Available and Earned for the specified Contract Periods are set forth below:

Contract Periods

Amount

October 1, 2004, through September 30, 2005

Maximum Potential Available Fee

\$45,280,710

This amount relates only to the estimated budget in (c) (2) above. The fee obtained from work accomplished under paragraphs (3) and (4) above are additive to this amount.

Actual Available Fee

Award Fee	\$ 15,219,316
Performance-Based Incentives	\$ 15,219,316
Total	\$ 30,438,632

Earned

Award Fee	\$ TBD
Performance-Based Incentives	\$ TBD
Total	\$ TBD

Fee for the above period will be earned by the contractor based on performance related to both the award fee objectives and the performance based incentives which are contained in the Performance Evaluation Plan.