PART I - THE SCHEDULE

SECTION H

SPECIAL CONTRACT REQUIREMENTS

PART I - THE SCHEDULE

SPECIAL CONTRACT REQUIREMENTS

SECTION H

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H.9 ASSUMPTION OF EXISTING AGREEMENTS AND SUBCONTRACTS

On February 12, 2001, the Contractor shall assume responsibility for all existing subcontracts and other agreements from Contract No. DE-AC08-91RW00134. These include: (a) all subcontracts and purchase orders, (b) cooperative research and development agreements, (c) consent orders, (d) regulatory agreements and permits, (e) collective bargaining agreements, (f) site-wide plans (e.g., safety and security plans) and (g) any other agreements in effect prior to February 12, 2001.

H.10 PRIVACY ACT SYSTEMS OF RECORDS

The Contractor shall design, develop, or operate the following systems of records on individuals to accomplish an agency function pursuant to the Section I, Contract Clause FAR 52.224-2, entitled, "Privacy Act."

DOE System No.	Title
DOE-28	General Training Records
DOE-33	Personnel Medical Records
DOE-35	Personnel Radiation Exposure Records
DOE-38	Occupational and Industrial Accident Records
DOE-42	Personnel Security Clearance Index
DOE-44	Special Access Authorization for Categories of Classified Information
DOE-51	Employee and Visitor Access Control System
DOE-52	Foreign National Visitor
DOE-53	Access Authorization for ADP Equipment

The above list shall be revised from time to time by mutual agreement between the Contractor and the Contracting Officer as may be necessary to keep it current. Such changes need not be formally incorporated before the annual contract update modification, but shall have the same effect as if actually listed above for the purpose of satisfying the listing requirement contained in Paragraph (a)(1) of the Section I, Contract Clause, FAR 52.224-2, entitled, "Privacy Act."

H.11 UNCLASSIFIED CONTROLLED NUCLEAR INFORMATION (UCNI)

Documents originated by the Contractor or furnished by the Government to the Contractor in connection with this Contract may contain Unclassified Controlled Nuclear Information as determined pursuant to Section 148 of the Atomic Energy Act of 1954, as amended. The Contractor shall be responsible for protecting such information from unauthorized dissemination in accordance with DOE Regulations and Directives.

H.12 CONTRACTOR EMPLOYEES: EMPLOYER/EMPLOYEE RELATIONSHIP

Persons employed by the Contractor shall be and remain employees of the Contractor and shall not be deemed employees of the DOE or the Government; however, nothing herein shall require the establishment of any employer-employee relationship between the Contractor and consultants or others whose services are utilized by the Contractor for the work hereunder.

The Contractor's employees normally engaged in the performance of this contract may be retained on the allowable costs payroll and used intermittently by the Contractor on work other than in the performance of this contract provided, however, that during the period of such intermittent use, including time spent in traveling to and from the site of such work, the employee shall not be deemed to be performing work under this contract, and insurance coverage of the Contractor, the premiums or costs of which are allowable costs under this contract (including Workmen's Compensation, employer's liability and public liability insurance), shall not be applicable or used to defend against or pay any liability of the Contractor to such employees (or persons claiming through them) or to other persons. With respect to such intermittent services, the Contractor shall credit to the account of the government, as provided in Section I, Contract Clause, DEAR 970.5204-16, entitled, "Payments and Advances," or as otherwise directed by the DOE, the amounts paid to the Contractor to the employees or other persons, or contributed to any benefits plans for such employees, from Government funds, which relate to such employees' work for the Contractor not in the performance of this contract. Set amount or amounts shall be at full cost recovery and include, but not be limited to, travel, per diem, and surviving spouse payments, if any, actual salaries and wages of the persons performing such services plus a percentage factor of such salaries and wages in lieu of direct payment for payroll taxes and benefits. The aforementioned factor shall be established for each ensuing year as mutually agreed between the Contracting Officer and the Contractor.

H.13 PLANNED PROCUREMENTS

The contractor will provide to the Contracting Officer a schedule of planned procurements (including subcontracts, purchase orders, etc.) or modifications to same, over $100K for a 24 month period. Such schedules shall be updated and submitted by each September 15 and March 15 with the first schedule due September 15, 2001. The schedule shall reflect estimated value, type of subcontract, purchase order, etc.,

description of service or product and, if applicable, a justification for other than firm fixed price, sealed bid, subcontract agreements. This schedule should not be considered a substitute for, but complement, the Make-or-Buy Plan required by DEAR 970.5204-76.

H.14 RESERVED

H.15 LOBBYING RESTRICTIONS

The Contractor or awardee agrees that none of the funds obligated on this award shall be expended, directly or indirectly, to influence congressional action on any legislation or appropriation matters pending before Congress, other than to communicate to Members of Congress as described in 18 U.S.C. 1913. This restriction is in addition to those prescribed elsewhere in statute and regulation.

H.16 NOTICE REGARDING THE PURCHASE OF AMERICAN-MADE EQUIPMENT AND PRODUCTS - SENSE OF CONGRESS

It is the sense of Congress that, to the greatest extent practicable, all equipment and products purchased with funds made available under this award should be American-made.

H.17 TRAVEL RESTRICTIONS

(a) For Contractor travel expenses incurred on or after February 12, 2001, a ceiling limitation of _____TBD_____ shall apply to all reimbursements made for Contractor travel expenses under this Contract. Expended funds which exceed the established ceiling will be unallowable unless otherwise authorized by the Contracting Officer.

(b) Notwithstanding any other provisions of the Contract, the Contractor further agrees that none of the funds obligated under the Contract may be used to reimburse employee travel costs incurred on or after February 12, 2001 and before October 1, 2001 which exceed the rates and amounts that apply to federal employees under subchapter I of Chapter 57 of Title 5, United States Code. Costs which exceed these rates and amounts will be unallowable. This restriction is in addition to those prescribed elsewhere in statute or regulation.

(c) Costs incurred for lodging, meals, and incidental expenses are considered reasonable and allowable to the extent that they do not exceed the maximum per diem rates in effect at the time of travel as set forth in:

(1) Federal Travel Regulations (FTR) for travel within the 48 states;

(2) Joint Travel Regulations (JTR) for travel in Alaska, Hawaii, the Commonwealth of Puerto Rico, and territories and possessions of the United States; or

(3) Standardized Regulations (SR) for travel allowances in foreign areas.

(d) Subparagraph (c) does not incorporate the regulations cited above in their entirety. Only the coverages in the referenced regulations addressing the maximum per diem rates, the definitions of lodging, meals, and incidental expenses, and special or unusual situations are applicable to Contractor travel.

(e) Airfare costs in excess of the lowest customary standard, coach, or equivalent airfare offered during normal business hours are unallowable except when such accommodations require circuitous routing, require travel during unreasonable hours, excessively prolong travel, result in increased cost that would offset transportation savings, are not reasonably adequate for the physical or medical needs of the traveler, or are not reasonably available to meet mission requirements. However, in order for airfare costs in excess of the above standard airfare to be allowable, the applicable condition(s) set forth above must be documented and justified.

H.18 LIMITATION OF LONG TERM LIABILITY REGARDING PERSONNEL COSTS

It is DOE's goal to develop an approach to personnel costs which maintains the full value of worker's benefits packages while at the same time limiting DOE's long term liability. The Contractor agrees to submit a plan to DOE during FY 2001 for achieving this goal.

H.19 WORK AUTHORIZATION SYSTEM

(a) Prior to the start of each Fiscal Year, the DOE shall provide the Contractor program execution guidance in sufficient detail to develop an estimated cost, scope, and schedule. The Contractor shall submit to the Contracting Officer or other designated official, a detailed Scope of Work (SOW), a budget of estimated costs, and a schedule of performance for the work to be performed during the next Fiscal Year.

(b) The Contractor and DOE shall mutually establish a budget of estimated costs, detailed SOW, and schedule of performance for each milestone/deliverable at level 3 or as otherwise specified by the Contracting Officer. The established estimated costs, detailed SOW, and schedule of performance shall be incorporated into WADs, signed by the Contractor and issued by the Contracting Officer, which are incorporated by reference into this Contract. If agreement cannot be reached on the scope, schedule, and estimated cost for the WADs, the Contracting

Officer shall issue unilateral WADs pursuant to this clause which shall not be subject to appeal under the Section I, Contract Clause, FAR 52.233-1, entitled "Disputes."

(c) No activities shall be authorized and no costs incurred until either the Contracting Officer has issued WADs or the Contracting Officer has issued direction concerning continuation of activities.

(d) Work Authorization Directives. The WADs authorizing the Contractor to proceed with performance shall be provided to the Contractor by the Contracting Officer. Each WAD so issued will include as a minimum the following:

(1) Authorization number and effective date;

(2) Description of work;

(3) Applicable paragraph reference to the SOW;

(4) Estimated cost (and estimated cost for the work to be performed under this authorization if the WAD performance schedule exceeds the current contract);

(5) Appropriate performance objectives, schedule, and milestone dates;

(6) Cost, schedule, and all other reporting requirements;

(7) Date of issue;

(8) Contractor's signature;

(9) Contracting Officer's signature.

(e) Technical Direction. Government direction of the performance of all work authorized for performance under this Contract shall be in accordance with the Section I, Contract Clause, DEAR 970.5204-XX8, entitled "Technical Direction."

(f) Modification of Work Authorization Directives. The Contracting Officer may at any time and without notice issue changes to the WADs within the SOW of the Contract requiring additional work, or directing the omission of, or changes to the work. A proposal for adjustment in the budget of estimated costs and schedule of performance of work established in accordance with paragraph (b) of this clause shall be submitted by the Contractor in accordance with paragraphs (a) and (b) of this clause. In addition, the Contractor shall notify the Contracting Officer immediately whenever the cost incurred to date plus the projected cost to complete the work on any WAD is expected to exceed or underrun the estimated cost by ten percent of the WAD. In this case, the Contractor shall submit a

proposal for a change in the WAD in accordance with paragraphs (a) and (b) of this clause.

(g) Expenditure of Funds and Incurrence of Cost. The performance of work and the incurrence of cost in the execution of the SOW of this Contract shall be initiated only when authorized in accordance with the provisions of this subsection. The expenditure of monies by the Contractor in the performance of all authorized work shall be governed by the provisions of the Section I, Contract Clause, DEAR 970.5204-15, entitled "Obligation of Funds."

(h) Order of Precedence. This clause is of lesser order of precedence than the Section I, Contract Clauses, DEAR 970.5204-13, entitled, "Allowable Costs, Base Fee, and Performance Fee (Management and Operating Contracts)"; DEAR 970.5204-15, entitled, "Obligation of Funds"; and DEAR 970.5204-16, entitled, "Payments and Advances." The Contractor is not authorized to incur costs on any WAD which is not in compliance with the other terms and conditions of this Contract.

(i) In the event there is a conflict between the requirements of this subsection and Section J, Appendix E, "List of Applicable Directives," as amended, the Contractor shall obtain guidance from the Contracting Officer.

(j) Responsibility to achieve Environment, Safety, Health, and Security Compliance. Notwithstanding the other provisions of this subsection, the Contractor has, in the event of an emergency, authority to take corrective actions as may be necessary to sustain operations in a manner consistent with applicable environmental, safety, health, and security statutes, regulations, and procedures. In the event that the Contractor takes such an action, the Contractor shall notify the Contracting Officer within 24 hours after such action was initiated and, within 30 days after such action has been initiated, submit a proposal for adjustment in the estimated costs and schedule of performance of work established in accordance with paragraph (a) and (b) of this subsection.

H.20 REPORTING REQUIREMENTS

(a) Work Breakdown Structure (WBS)

The Contract WBS, an extension of the Program WBS, shall reflect all program and project work scope. The Contract WBS together with the Program WBS shall be the basis for all reports required by this subsection. The Contract WBS Index and Dictionary shall be approved by the Contracting Officer, and shall conform with all implementation guidance. It shall be submitted to the Contracting Officer by January 12, 2001.

(b) Periodic Plans and Reports

The Contractor shall submit periodic cost, schedule, and technical performance plans and reports in such form and substance as required by the Contracting Officer. These periodic plans and reports shall be submitted at the interval, and to the addresses and in the quantities as specified by the Contracting Officer. Where specific forms are required for individual plans and reports, the Contracting Officer shall provide such forms to the Contractor. The plans and reports expected to be submitted by the Contractor are described generally as follows:

General Management Reports narratively summarize schedule, labor, and cost plans and status, and provide explanations of status variances from plans.

Schedule/Labor Cost Reports provide information on schedule, labor and cost plans and status.

Performance Measurement Reports provide earned value cost and schedule performance data, both cumulative and at completion, as well as milestone status, financial status, and technical performance. Also provided in these reports are analyses of cost and schedule performance trends, and identification of actual and potential problems. Integrated technical, cost and schedule variance analyses and corrective action plans will be provided if variances exceed DOE reporting thresholds provided by the Contracting Officer. Performance will be reported to DOE at the lowest level elements of the Program WBS unless directed differently by the Contracting Officer.

Technical Reports are the means by which scientific, technical, and engineering information acquired in the performance of the work is disseminated.

Contract Fund Status Reports provide outstanding commitments plus incurred costs in order to ensure that authorized funding limits will not be exceeded and to provide early warning if funding limits could be exceeded.

Letter Reports, if requested by DOE, provide quick response information on inquiries or sudden problems/issues.

Plans and reports shall be prepared by the Contractor in such a manner as to provide for:

(1) consistency with the contract Statement of Work, the WADs, the approved WBS and the existing accounting structure, as appropriate.

(2) correlation of data among the various plans and reports.

(c) Changes in Work Effort

The reporting system established and maintained by the Contractor pursuant to this subsection shall recognize changes in work effort directed by the Contracting

Officer, as provided for in the Work Authorization System. During performance of this contract, the Contractor shall update and/or change, as appropriate, the WBS (including any diagrams, supporting work descriptions, and WBS dictionary) to reflect changes in the Scope of Work or WADs. The Contractor's reporting system shall be able to provide for the following at the WAD level, or such lower level, as specified by the Contracting Officer:

(1) incorporate contractual changes affecting estimated cost, schedule, and other relevant terms and conditions of the contract, in a timely manner;

(2) reconcile estimated costs for those elements of the WBS identified in the contract as either priced line items or discrete WADs, and for those elements at the lowest level of the project summary WBS with current performance measurement budgets in terms of:

a. Changes to the authorized work; and,

b. Internal replanning in the detail needed by management for effective control;

(3) prohibit retroactive changes to records pertaining to work performed that will change previously-reported costs except for correction of errors and routine accounting adjustments;

(4) prevent revisions to the contract estimated costs except for Government-directed or approved changes to the contractual effort; and

(5) document changes to the performance measurement baseline and, on a timely basis, notify the Contracting Officer of such changes.

(d) The Contractor agrees to provide the Contracting Officer, or designated authorized representatives, access to information and documents comprising the Contractor's reporting system described in (b) above.

(e) The Contractor shall include the requirements of this clause in all subcontracts that are cost-reimbursement type of contracts when:

(1) the value of the subcontract is greater than $2 million, unless specifically waived by the Contracting Officer, or

(2) the Contracting Officer determines that the contract/subcontract effort is, or involves, a critical task related to the contract.

As the Contractor will be responsible at the time of transition for performing substantially the same operations as the previous incumbent Contractor, the Contractor shall be obligated to recognize the current bargaining agents and their existing collective bargaining agreements.

H.27 CORPORATE HOME OFFICE EXPENSES

No corporate home office expense of the Contractor shall be allowable under this Contract without the prior written approval of the Contracting Officer.

H.28 SEPARATE CORPORATE ENTITY

The work performed under this Contract by the Contractor shall be conducted by a separate corporate entity from its parent company(ies). The separate corporate entity must be set up solely to perform this Contract and shall be totally responsible for all Contract activities.

H.29 RESPONSIBLE CORPORATE OFFICIAL

Notwithstanding the Section H Contract Clause, entitled, "Performance Guarantee," the Government may contact, as necessary, the single responsible corporate official identified below, who is at a level above the Contractor and who is accountable for the performance of the Contractor. Should the responsible corporate official change during the period of the contract, the Contractor shall promptly notify the Government of the change in the individual to contact.

Name: Thomas F. Hash
(Offeror complete)

Position: President
(Offeror complete)

Company: Bechtel National, Inc.
(Offeror complete)

H.30 PERFORMANCE GUARANTEE

The Contractor is required by other provisions of this Contract to organize a dedicated corporate entity to carry out the work under the Contract. The Contractor's parent organization(s) or all member organizations if the Contractor is a joint venture, limited liability company, or other similar entity, shall guarantee performance as evidenced by the Performance Guarantee Agreement incorporated in the Contract in Section J, Appendix G. If the Contractor is a joint venture, limited liability company, or other similar entity where more than one organization is involved, the parent or all member organizations shall assume joint and several liability for the performance of the Contractor. In the event any of the signatories to the Performance Guarantee Agreement enters into proceedings related to bankruptcy, whether voluntary or involuntary, the Contractor agrees to furnish written notification of the bankruptcy to the Contracting Officer.

H.31 PATENT INDEMNITY - SUBCONTRACTS

Except as otherwise authorized by the Contracting Officer, the Contractor must obtain indemnification of the Government and its officers, agents, and employees against liability, including costs, for infringement of any United States patent (except a patent issued upon an application that is now or may hereafter be withheld from issue pursuant to a secrecy order by the Government) from Contractor's subcontractors for any contract work subcontracted in accordance with 48 CFR 52.227-3.

H.32 CONSECUTIVE NUMBERING

Due to automated procedures employed in formulating this document, clauses contained within it may not always be consecutively numbered.

H.33 CONFIDENTIALITY OF INFORMATION

(a) To the extent that the work under this Contract requires that the Contractor be given access to confidential or proprietary business, technical, or financial information belonging to the Government or other companies, the Contractor shall, after receipt thereof, treat such information as confidential and agrees not to appropriate such information to its own use or to disclose such information to third parties unless specifically authorized by the Contracting Officer in writing. The foregoing obligations, however, shall not apply to:

(1) Information which, at the time of receipt by the Contractor, is in public domain;

(2) Information which is published after receipt thereof by the Contractor or otherwise becomes part of the public domain through no fault of the Contractor;

(3) Information which the Contractor can demonstrate was in its possession at the time of receipt thereof and was not acquired directly or indirectly from the Government or other companies;

(4) Information which the Contractor can demonstrate was received by it from a third party who did not require the Contractor to hold it in confidence.

(b) The Contractor shall obtain the written agreement, in a form satisfactory to the Contracting Officer, of each employee permitted access, whereby the employee agrees that he will not discuss, divulge or disclose any such information or data to any person or entity except those persons within the Contractor's organization directly concerned with the performance of the Contract.

(c) The Contractor agrees, if requested by the Government, to sign an agreement identical, in all material respects, to the provisions of this clause, with each company supplying information to the Contractor under this Contract, and to supply a copy of such agreement to the Contracting Officer.

(d) The Contractor agrees that upon request by DOE it will execute a DOE-approved agreement with any party whose facilities or proprietary data it is given access to or is furnished, restricting use and disclosure of the data or the information obtained from the facilities. Upon request by DOE, such an agreement shall also be signed by Contractor personnel.

(e) This clause shall flow down to all appropriate subcontracts.

H.34 ENVIRONMENTAL JUSTICE

The Contractor shall embrace the principles of Environmental Justice by complying with all applicable environmental regulations and by focusing on nondiscrimination in its programs that affect human health and the environment. The Contractor shall comply with Executive Order 12898 on Environmental Justice.

H.35 ENVIRONMENT, SAFETY, AND HEALTH

The Contractor will notify the Contracting Officer, in writing, of any written direction or instruction which contradicts, limits, or compromises those environment, safety, and health requirements. The Contractor shall submit by September 1, 2001, and each year thereafter by September 1, an update to the Integrated Safety Management Program Plan for the following fiscal year. Any changes to the Integrated Safety Management Program Plan after the Contracting Officer's initial approval shall be approved by the Contracting Officer.

This Contract establishes the agreed-upon safety requirements and other operating parameters for the site-wide operations covered by the contract, except with respect to facilities/activities for which separate Authorization Agreement(s) are necessary.

Authorization Agreements are to be used to establish, document, and control the safety requirements and other parameters for: (a) Category 2 non-reactor nuclear facilities new starts; (b) Weapon Program Startups; and (c) as directed by the Contracting Office to ensure adequate protection of the workers, the public, and the environment. Updates and changes to any approved Authorization Agreements(s) shall be subject to Contracting Officer approval.

H.36 WITHDRAWAL OF WORK

(a) The Contracting Officer reserves the right to have any of the work contemplated by Section C, Statement of Work, of this contract performed by either another Contractor or to have the work performed by Government employees.

(b) Work may be withdrawn for any other reason deemed by the Contracting Officer to be in the best interests of the Government.

(c) If any work is withdrawn by the Contracting Officer, the Contractor agrees to fully cooperate with the new performing entity.

H.37 SUBCONTRACTS CONSENT AND FLOW DOWN REQUIREMENTS

(a) Prior to the placement of subcontracts and in accordance with the Section I, Contract Clause, DEAR 970.5204-22, entitled, "Contractor Purchasing System," the Contractor shall ensure that:

(1) They contain all of the clauses of this contract (altered when necessary for proper identification of the contracting parties) which contain a requirement for such inclusion in applicable subcontracts. Particular attention should be directed to the potential flow down applicability of the Section I, Contract Clauses, FAR 52.219-8, entitled, "Utilization of Small Business Concerns" and FAR 52.219-9, entitled, "Small Business Subcontracting Plan;"

(2) Any applicable subcontractor Certificate of Current Cost or Pricing Data (see FAR 15.804-2) and subcontractor Representations and Certifications are completed; and

(3) Any required prior notice and description of the subcontract is given to the Contracting Officer and any required consent is received. Except as may be expressly set forth therein, any consent by the Contracting Officer to the placement of subcontracts shall not be construed to constitute approval of the subcontractor or any subcontract terms or conditions, determination of the allowability of any cost, revision of this contract or any of the respective obligations of the parties thereunder, or creation of any subcontractor privity of contract with the Government.

(b) The Contractor shall also obtain and furnish to the Contracting Officer either an OCI Disclosure Statement or Representation form in accordance with DEAR 909.570-7, "Organizational Conflicts of Interest Disclosure or Representation", from all subcontractors to be utilized under this contract to perform the types of work identified in DEAR 909.570-4(b). No work shall be performed by the subcontractor until the Contracting Officer has cleared the subcontractor for Organizational Conflicts of Interest (OCI).

(c) The following subcontractors have been cleared by the Contracting Officer for OCI:

*

H.38 DEAR 952.227-82 RIGHTS TO PROPOSAL DATA

Except for technical data as contained on pages * of the Contractor's proposal dated *, which are asserted by the Contractor as being proprietary data, it is agreed that, as a condition of the award of this contract, and notwithstanding the provisions of any notice appearing on the proposal, the Government shall have the right to use, duplicate, disclose, and have others do so for any purpose whatsoever, the technical data contained in the proposal upon which this contract is based.

H.39 ENVIRONMENTAL, SAFETY AND HEALTH COMPLIANCE DATA

Data required to assure environmental, safety and health compliance by the Contractor in its activities on behalf of the Department of Energy shall not be considered proprietary data in the context of DEAR 952.227-78, "Rights In Technical Data--Facilities (Apr 1984)". DOE retains unlimited rights in all records, data, and audits involving compliance with Federal and State environmental, safety and health Statutes.

H.40 SECURITY

In addition to the provisions in DEAR 952.204-2, Security, the Contractor agrees to comply with Security regulations of other government agencies when applicable.

H.41 CONTRACTOR USE OF GOVERNMENT VEHICLES--WORK TO DOMICILE

Government furnished, owned or leased vehicles shall be used for official purposes only. Any cost or expense associated with non-official use of government furnished, owned or leased vehicles is an unallowable cost and is therefore not reimbursable under the contract. Official purposes do not ordinarily include transportation of a Contractor's employee between domicile and place of employment. However, Contractor employees driving government furnished, owned or leased vehicles to their personal residences will be considered to do so for official purposes if all the following conditions exist:

(1) Unusual and special circumstances occur when Contractor employees are required to work unusual hours and regular transportation is not available.

(2) The Contractor has defined in writing the special and unusual circumstances in which the driving of government furnished, owned or leased vehicles by Contractor employees to their personal residences will be considered used for official purposes and the DOE Contracting Officer has approved them.

(3) The Contractor has designated, in writing, specific individuals who are authorized to approve the driving of government vehicles by Contractor employees to their personal residences.

(4) The Contractor maintains records necessary to clearly establish the extent that home-to-work transportation was for official purposes. The Contractor shall determine, subject to approval of the Contracting Officer, the organizational level at which the records should be maintained and kept.

The records should be easily accessible for audit and should contain, as a minimum, the following information:

a. Name and title of employee using the vehicle, as well as the names and titles of any passengers sharing the vehicles;

b. Name, Employee Identification Number, and title of person authorizing use;

c. Vehicle license number;

d. Date and time of day of vehicle use;

e. Storage location of vehicle;

f. Duration of use; and

g. Special and unusual circumstances requiring home-to-work transportation and negative impact, if such approval is not granted. Approval should not be granted if bus services are reasonably available. The approving official should require the sharing of rides to the extent reasonably feasible when government vehicles are authorized.

(5) The Contractor establishes and enforces penalties for employees who use or authorize the use of government vehicles for other than official purposes.

(6) This clause shall flow down to subcontractors who utilize Government vehicles.

H.42 CONTRACTOR ACCEPTANCE OF NOTICES OF VIOLATION OR ALLEGED VIOLATIONS, FINES AND PENALTIES

(a) The Contractor shall accept, in its own name, notices of violations or alleged violations (NOVs/NOAVs) and fines and penalties issued by Federal or State regulators resulting from the Contractor's performance or work under this contract. The allowability of the costs associated with fines and penalties shall be governed by the provisions of the Section I, Contract Clause, DEAR 970.5204-13, entitled "Allowable Costs, Base Fee and Performance Fee (Management And Operating Contracts)".

(b) The Contractor shall be free to conduct negotiations with regulators regarding NOVs/NOAVs, fines and penalties; however, the Contractor shall not make any commitments or offers to regulators which would bind the Government in any form or fashion, including monetary obligations, without receiving written concurrence from the Contracting Officer or his authorized representative prior to making any such offers/commitments. Failure to obtain such advance written approval may result in otherwise allowable costs being declared unallowable and/or the Contractor being liable for any excess costs to the Government associated with or resulting from such offers/commitments.

H.43 ELECTRONIC COMMERCE

In compliance with the Government's initiative of "Streamlining Procurement Through Electronic Commerce," and presenting a "single face" to industry, the Contractor shall strive to implement, within available funding, an Electronic Commerce System that will generate a paperless, automated, integrated procurement/payment system. This system shall, to the maximum practicable extent, subject to DOE approval, allow for: electronic request for quotations, quotations, and purchase orders, electronic invoices and remittance advice; full integration between the procurement, receiving, inventory control and accounting systems; and, accounting system programs that compare invoices, receipts and orders and automatically issue electronic funds transfer payments.

H.44 CONTROL OF NUCLEAR MATERIALS

(a) As used in this clause, the term "Nuclear Materials" is a collective term which includes source material, Special Nuclear Material, and those other materials to which, by direction of DOE, the provisions of DOE's Orders or Directives or the Nuclear Regulatory Commission regarding the control of Nuclear Materials, which have been or may be furnished to the Contractor by DOE, apply. The Contractor shall, in a manner satisfactory to the Contracting Officer, establish accounting and measurement procedures, maintain current records and institute appropriate control measures for Nuclear Materials in its possession commensurate with the national security and DOE policy. The Contractor shall make such reports and permit such inspections as DOE may require with reference to nuclear materials. The Contractor shall take all reasonable steps and

precautions to protect such materials against theft and misappropriations and to minimize all losses of such materials.

(b) Transfers of Nuclear Materials shall only be made with the prior written approval of the Contracting Officer, or authorized designee. Nuclear Materials in the Contractor's possession, custody, or control shall be used only for furtherance of the work under this contract. The Contractor shall be responsible for the control of such Nuclear Materials in accordance with applicable DOE Orders and Directives regarding the control of Nuclear Materials, which have been or may be issued to the Contractor by DOE, and shall make a part of each purchase order, subcontract, and other commitment involving the use of Nuclear Materials for which the Contractor has accountability, which it enters into under this contract, appropriate terms and conditions for the use of Nuclear Materials and the responsibilities of the subcontractor or vendor regarding control of Nuclear Materials. In the case of fixed-price purchase orders, subcontracts, or other commitments involving the use of Nuclear Materials for which the Contractor has accountability, the terms and conditions with respect to Nuclear Materials shall also include the financial responsibilities, if any, regarding such items as losses, scrap recovery, product recovery, and disposal.

H.45 PROMISES AND COMMITMENTS

Detailed below and incorporated into this contract is a list of promises made by the Contractor in its contract proposal, dated * , which have not been identified elsewhere in this contract as a contract requirement. It is recognized that, as appropriate, these promises and commitments may be incorporated into a separate incentive fee arrangement or in the Performance Evaluation Management Plan. However, notwithstanding whether or not the promises/commitments are ever the subject of separate incentivization, the Contractor is expected to, in good faith, strive to meet the stated objectives. The extent to which the Contractor is able to achieve success and the extent to which the promises/commitments have been kept shall be considered in any determination to exercise the option provided for in Section F of this contract.

(* List of promises and commitments from proposal to be inserted)

H.46 LITIGATION MANAGEMENT PLAN

The Contractor shall prepare a Litigation Management Plan which shall be submitted to the Contracting Officer for approval within 60 days after February 12, 2001. The purpose of the Plan will be to control the cost of litigation and to provide for employment of only that level of private counsel appropriate to a particular requirement. The Plan shall comply with the Guidelines set forth in DOE Acquisition Letter 94-13 of August 25, 1994, and such further instructions as provided by the Contracting Officer.

H.47 SERVICE CONTRACT ACT

The Service Contract Act of 1965 (P.L. 89-286) is not applicable to contracts for the operation of DOE facilities. It is, however, applicable to subcontracts awarded by Contractors operating DOE facilities. The Contractor shall insert in all subcontracts of the character to which the Service Contract Act, as amended, applies the applicable clause specified in FAR 22.1005 or FAR 22.1006, with such modifications as appropriate to reflect the Contractor/subcontractor relationship.

H.48 AGE DISCRIMINATION IN EMPLOYMENT

The Contractor shall not discriminate against any employee, applicant for employment, or former employee on the basis of age. The Contractor shall comply with the Age Discrimination in Employment Act, with any State or local legislation regarding discrimination based on age, and with all applicable regulations thereunder.

H.49 DETERMINATION OF APPROPRIATE LABOR STANDARDS

DOE shall determine the appropriate labor standards, in accordance with the Service Contract Act, the Davis-Bacon Act, or other applicable labor laws which shall apply to work performed under this contract. The Contractor shall provide such information in the form and time frame required by DOE, as may be necessary for DOE to make such labor standards determinations. The Contractor will then be responsible for ensuring that the appropriate labor standards provisions are included in subcontracts, and for obtaining and applying the appropriate wage determinations.

H.50 APPLICATION OF LABOR POLICIES AND PRACTICES

The Contractor agrees to conduct its labor relations program in accordance with DOE's intent that labor policies and practices reflect the best experience of American industry in aiming to achieve the type of stable labor-management relations essential to the successful accomplishment of DOE's programs at reasonable cost. Collective bargaining will be left to the orderly processes of negotiation and agreement between Contractor management and certified employee representatives with maximum possible freedom from Government involvement. For working on DOE facilities and programs critical to the National interest, Contractor management's responsibility includes the duty to adopt practices which are fundamental to the friendly adjustment of disputes, and which experience has shown promote orderly collective bargaining relationships.

H.51 REIMBURSEMENT OF COST AND ALLOWABLE COST PRINCIPLES FOR TRANSITION PERIOD

(a) Reimbursement of allowable cost for the transition period will be through the voucher (i.e., invoice) process. DOE will provide the selected Offeror with a detailed description of DOE's voucher process at time of transition.

(b) Allowability of costs for the transition period shall be determined in accordance with Federal Acquisition Regulation 52.216-7, "Allowable Cost and Payment."

H.52 ALLOCATION OF RESPONSIBILITIES FOR CONTRACTOR ENVIRONMENTAL COMPLIANCE ACTIVITIES

(a) This clause allocates the responsibilities of DOE and the Contractor, referred to collectively as "the parties" for implementing the environmental requirements at facilities within the scope of the contract. In this clause, the term "environmental requirements" means requirements imposed by applicable Federal, state and local environmental laws and regulations, including, without limitation, statutes, ordinances, regulations, court orders, consent decrees, administrative orders or compliance agreements, consent orders, permits, and licenses.

(b) Liability and responsibility for civil fines or penalties arising from or related to violations of environmental requirements shall be borne by the party that caused the violation irrespective of the fact that the cognizant regulatory authority may assess any such fine or penalty upon either party or both parties without regard to the allocation of responsibility or liability under this contract. This contractual allocation of liability for any such fine or penalty is effective regardless of which party signs permit applications, manifests, reports or other required documents, is a permittee, or is the named subject of an enforcement action or assessment of a fine or penalty.

(c) Regardless of which party to this contract is the named subject of an enforcement action for noncompliance with environmental requirements by the cognizant regulatory authority, liability for payment of any fine or penalty will be governed by provisions of this contract related to allowable costs. If the named subject of an enforcement action or assessment of a fine or penalty is DOE and the fine or penalty would not otherwise be reimbursable under the allowable cost and pre-existing conditions provisions of this contract if the Contractor was the named subject of the enforcement action, the Contractor will either pay the fine or penalty or reimburse the DOE (if DOE pays the fine or penalty). The governing provisions of the contract include, without limitation, paragraph (e)(12) of the Section I, Contract Clauses, DEAR 970.5204-13, entitled, "Allowable Costs, Base Fee, and Performance Incentive Fee (Management and Operating Contracts)" and DEAR 970.5204-75, entitled "Pre-Existing Conditions."

H.53 PRICE ANDERSON AMENDMENTS ACT NONCOMPLIANCE

The Contractor shall establish an internal Price Anderson Amendments Act noncompliance identification, tracking, and corrective action system and shall provide access to and fully support DOE reviews of the system. The Contractor shall also implement a Price Anderson Amendments Act reporting process which meets applicable DOE standards. The Contractor shall be accountable for ensuring that subcontractors adhere to these requirements.

H.54 OTHER CONTRACTORS

There are several other prime Contractors and support service Contractors or other interested parties that the Contractor will interface with in order to accomplish the program mission in an effective and efficient manner. It is expected that the Contractor will cooperate and interface appropriately with all such parties in executing and accomplishing the program requirements. Should there be any conflicts or issues that cannot be resolved by the Contractors, DOE will intervene as necessary and appropriate.

H.55 CONTRACTOR ACCEPTANCE OF OCRWM BASELINE DOCUMENTATION

The Contractor shall accept the Office of Civilian Radioactive Waste Management baseline documentation and maintain the baseline in accordance with the Baseline Change Control System (Reference DOE/RW-0409), and the Configuration Management Information System (Reference DOE/RW- 0415).

H.56 ADDITIONAL TECHNICAL DATA REQUIREMENTS (SPECIAL)

Except as otherwise authorized by the Contracting Officer, the Contractor, pursuant to 48 CFR 27.409(h), shall normally include the clause at 48 CFR 52.227-16 in any subcontract for research, development or demonstration to enable the ordering of technical data as actual need and requirements therefore become known during the course of the subcontract.

H.57 RIGHTS TO PROPOSAL INFORMATION (SPECIAL)

Except as otherwise authorized by the Contracting Officer, the Contractor, pursuant to 48 CFR 27.409(s), shall include the clause of 48 CFR 52.227-23, "Rights to Proposal Data (Technical)," in any subcontract which is awarded based upon the consideration of technical information contained within a proposal.

H.58 ROYALTY INFORMATION

(a) The contract price includes certain amounts for royalties, payable by the Contractor or subcontractors or both, reported to the Contracting Officer in accordance with the Royalty Information provision of the solicitation.

(b) During performance of the contract, if any additional royalty payments are proposed to be charged to the Government as costs under the contract that were not included in the original price, the Contractor agrees to submit for approval of the Contracting Officer, prior to the execution of any licensing agreement, the following information relating to each separate item of royalty or license fee:

(1) Name and address of licensor;

(2) Date of license agreement;
(3) Patent numbers, patent application serial numbers, or other basis on which the royalty is payable;
(4) Brief description, including any part or model numbers of each contract item or component on which the royalty is payable;
(5) Percentage or dollar rate of royalty per unit;
(6) Unit price of contract item;
(7) Number of units; and
(8) Total dollar amount of royalties.
(9) In addition, if specifically requested by the Contracting Officer, the Contractor shall furnish a copy of the current license agreement and an identification of applicable claims of specific patents, copyrights, or other data.

(c) The term "royalties" as used in this clause refers to any costs or charges in the nature of royalties, license fees, patent or license amortization costs, or the like, for the use of or for rights in patents and patent applications in connection with performing this contract or any subcontract hereunder. The term also includes any costs or charges associated with the access to, use of, or other right pertaining to data that is represented to be proprietary and is related to the performance of this contract or subcontracts, or the copying of such data or data that is copyrighted.

(d) The Contractor must furnish to the Contracting Officer, before final payment under this contract, a statement of royalties paid or required to be paid in connection with performing this contract and subcontracts hereunder.

(e) The Contractor is compensated for any royalties reported under paragraph (c) of this clause, only to the extent that such royalties were included in the contract price or are determined by the Contracting Officer during performance of the contract to be properly chargeable to the Government and allocable to the contract.

(f) The Contracting Officer shall reduce the contract price to the extent any royalties that are included in the contract price are not, in fact, paid by the Contractor or are determined by the Contracting Officer not to be properly chargeable to the Government and allocable to the contract. The Contractor agrees to repay or credit the Government accordingly, as the Contracting Officer directs. Regardless of prior DOE approval of any individual payments or royalties, DOE may contest at any time the enforceability, validity, scope of, or title to, a patent or the proprietary nature of data pursuant to which a royalty or other payment is to be or has been made.

(g) If at any time within 3 years after final payment under this contract, the Contractor for any reason is relieved in whole or in part from the payment of the royalties included in the final contract price as adjusted pursuant to paragraph (d)

of this clause, the Contractor must promptly notify the Contracting Officer of that fact and must promptly reimburse the Government in a corresponding amount.

(h) The Contractor agrees to include, and require inclusion of, this clause, including this paragraph (f), suitably modified to identify the parties in any subcontract at any tier in which the amount of royalties reported during negotiation of the subcontract exceeds $250.

H.59 AUTHORIZATION AND CONSENT – RESEARCH AND DEVELOPMENT SUBCONTRACTS

The Contractor agrees to include the Authorization and Consent clause at FAR 52.227-1 with its Alternate 1, suitably modified to identify the parties, in all subcontracts at any tier for research and development activities.