Dear Mr. McKay:

**Contract No. DE-EM0000323, Award Fee Determination for Period 2012-A**

The Department of Energy Oak Ridge Office has completed its evaluation of Wastren Advantage, Incorporated's (WAI) performance for the period February 1, 2012 through July 31, 2012. I have determined that WAI has earned $502,926 out of the potential award fee amount of $613,324, or 82% of available award fee. Specifically, ratings are as follows:

<table>
<thead>
<tr>
<th>Objective Number</th>
<th>Performance Description</th>
<th>Performance Weight</th>
<th>Available Award Fee Pool</th>
<th>Performance Score</th>
<th>Award Fee Earned</th>
<th>Adjectival Rating</th>
</tr>
</thead>
<tbody>
<tr>
<td>I. a</td>
<td>Processing and Disposal of TRU Waste Inventory</td>
<td>45%</td>
<td>$275,996</td>
<td>75%</td>
<td>$206,997</td>
<td>Good</td>
</tr>
<tr>
<td>I. b</td>
<td>Sludge Buildout</td>
<td>10%</td>
<td>$61,332</td>
<td>95%</td>
<td>$58,266</td>
<td>Excellent</td>
</tr>
<tr>
<td>I. c</td>
<td>Facility Operations</td>
<td>15%</td>
<td>$91,999</td>
<td>85%</td>
<td>$78,199</td>
<td>Very Good</td>
</tr>
<tr>
<td>II. a</td>
<td>Cost Performance</td>
<td>15%</td>
<td>$91,999</td>
<td>85%</td>
<td>$78,199</td>
<td>Very Good</td>
</tr>
<tr>
<td>II. b</td>
<td>Project Management</td>
<td>5%</td>
<td>$30,666</td>
<td>85%</td>
<td>$26,066</td>
<td>Very Good</td>
</tr>
<tr>
<td>III. a</td>
<td>Business Management</td>
<td>5%</td>
<td>$30,666</td>
<td>95%</td>
<td>$29,133</td>
<td>Excellent</td>
</tr>
<tr>
<td>III. b</td>
<td>Stakeholder and Customer Interactions</td>
<td>5%</td>
<td>$30,666</td>
<td>85%</td>
<td>$26,066</td>
<td>Very Good</td>
</tr>
</tbody>
</table>
WAI met or exceeded the majority of the performance objectives for this period. Waste processing and shipment performance were negatively impacted due to delays in startup of the Cask Processing Enclosure (CPE) and Remote Drum Opener (RDO) along with mechanical issues when utilizing the Hot Cell for continued waste processing efforts. With the late startup of the CPE, WAI attempted to maintain processing levels by planning to use both the Hot Cell and the CPE to help recover lost progress; however, the overall waste processing goals were not met. A two-shift operation schedule will be implemented for future waste processing. Sludge Buildout planning and preparatory efforts have been excellent as demonstrated by WAI’s coordination with various stakeholders (i.e. Tennessee Department of Environment and Conservation and Nevada National Security Site), planning and partnering sessions with DOE personnel, and presentations to the DOE External Technical Review team to ensure project success. Facility Operations are effective and well maintained. Maintenance and operation procedures are continuously standardized to improve operations and WAI’s safety record remains exemplary. Organization and maintenance of the facility remains excellent and quality assurance is adequate with rigorous training programs focusing on improving operator qualifications and increasing operator efficiencies. Additionally, WAI maintains an aggressive program for conducting internal reviews to identify and respond to issues. The Schedule Performance Index is 1.03 and Cost Performance Index is 1.05 indicating WAI effectively maintained project cost and schedule commitments for this evaluation period. Project Management Systems are adequately developed and maintained by WAI. Business Management is performed at a highly competent and responsive level addressing contract administrative actions, Government Property Management Systems, subcontract management, and effective communication with various offices and other prime contractors in the Oak Ridge area. Stakeholder and Customer Interactions addressing DOE information support requests, interfacing activities with various offices and responses to regulatory requests continue to be a strength for WAI.

This determination provides reasonable assurances that the Department fairly executed the Performance Evaluation Plan and award fee review process for the period.

If you have any questions, or if we can be of any further assistance, please contact me at 576-0742 or Laura Wilkerson at 576-9900.

Sincerely,

Mark Whitney
Fee Determination Official
Contract No. DE-EM0000323, Award Fee Determination for Period 2012-A

Enclosure

Cc w/enclosure:
S. Cange, EM-90
B. McMillan, EM-90
D. Queen, EM-90
J. Dozier, FM-742
K. Shears, FM-742
L. Wilkerson, EM-90
B. McKay, WAI
J. Grillo, WAI
F. Heacker, WAI
B. Kanter, WAI
B. Weible, WAI