

FISCAL YEAR 2012
PERFORMANCE EVALUATION PLAN

FOR
LAWRENCE LIVERMORE NATIONAL SECURITY, LLC
in the OPERATION and MANAGEMENT of
LAWRENCE LIVERMORE NATIONAL LABORATORY
CONTRACT No. DE-AC52-07NA27344

Sept 2011

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PREFACE

This performance evaluation plan (PEP) documents the process and standards of performance by which the Contractor's performance will be evaluated and rated under Contract No. DE-AC52-07NA27344 in fiscal year (FY) 2012 and upon which the determination of the performance incentive fee earned shall be based. This PEP is implemented in accordance with contract provision H-13, "Performance Based Management" and H-14, "Award Term." Further, this PEP is consistent with contract provision B-2, "Contract Type and Value." B-2 states that for FY 2008 through FY 2014, 30% of the maximum available fee will be applied to fixed fee and 70% of the maximum available fee will be applied to performance incentive fee. The maximum available fee is \$42,506,024 for fiscal year 2012. This PEP does not address the fixed fee earned in support of work for others as set forth in contract provision B-2.

The standards of performance set forth in this PEP consist of strategic performance objectives and performance incentives, and are the primary components of the performance-based management system described in contract provision H-13, "Performance-Based Management." The strategic performance objectives in this PEP are organized by programs, operations, and institutional management (IM) and are linked to the DOE and NNSA strategic plan goals, NNSA's "Getting the Job Done" goals, NNSA transformation plans (outlined in the DOE/NA-0013, "Complex Transformation SPEIS dated October 23, 2006) NNSA program implementation plans, and NNSA program multi-year strategic objectives. Performance incentives in this PEP include stretch incentives, multi-site incentives and award term incentives.

STRATEGIC PERFORMANCE OBJECTIVES

The strategic performance objectives are used to subjectively evaluate the Contractor's overall performance and focus on strategic and mission-critical activities and appraise the Contractor's systems and outcomes in terms of:

- Are they producing appropriate national security, science and technology results?
- Are they producing these results efficiently, safely and securely?

For FY 2012, ten strategic performance objectives are identified as summarized below and detailed in Attachment 1.

1. Understand the condition of the stockpile, extend the life of nuclear warheads and support dismantlement.
2. Advance the science, technology, and engineering to support the mission through experiments and computations.
3. Advance the science, technology, and engineering to support the mission through ICF.
4. Reduce Nuclear Dangers through support to non-proliferation and threat reduction.

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5. Strengthen the ST&E base and develop technical capabilities needed to support current and future LLNL missions.
6. Provide and maintain the core facilities and infrastructure capabilities necessary to execute mission responsibilities.
7. Maintain safe and environmentally sound operations in an efficient and effective manner in support of mission objectives.
8. Maintain secure operations in an efficient and effective manner in support of mission objectives.
9. Manage business operations in an effective and efficient manner while safeguarding public assets and supporting mission objectives.
10. Governance assures performance and creates long-term sustainable value for the institution.

The strategic performance objectives are organized by programs, operations, and institutional management (IM) and are further defined by performance measures and targets as delineated in Attachment 1. Essential targets represent priority work that must be accomplished in order to meet requirements in programs, operations, and institutional management. Stretch targets represent work that is above and beyond the minimum essential performance requirements. The subjective rating of each performance objective will be based on the Contractor's overall performance against all contract requirements as well as each of the performance targets.

The programs performance objectives (1 – 5) are used to evaluate the performance and management of the Contractor's programmatic work. The operations performance objectives (6 – 8) are used to evaluate the performance and management of the Contractor's critical operations and infrastructure activities supporting the mission performance. The IM performance objectives (9 – 10) are used to evaluate the performance of the Contractor's critical business and institutional management activities supporting the mission.

The Contractor's performance under the strategic performance objectives will be assessed at the summary level in programs, operations, and IM using the five tier adjectival rating criteria set forth in Table 1. The Contractor may earn up to 65% of the performance incentive fee based on these summary level subjective ratings, which reflect performance against each of the performance objectives, measures, and targets. Essential targets are not separately rated for the purpose of establishing adjectival ratings and the associated subjective incentive fee. Performance will be assessed against the applicable evaluation criteria using a variety of different approaches including, but not limited to, peer review, external reviews, achievement of milestones relevant to targets, customer feedback, and program reviews. The evaluation of performance will consider unanticipated barriers (e.g., budget changes, rule changes, circumstances outside the control of the contractor) and other circumstances that may occur during the performance period. Effective contractor efforts to overcome or mitigate the impact of such barriers or circumstances will be a factor in evaluating contractor performance. The evaluation of performance will also consider the Contractor's performance against all of the Level 1 and 2 milestones and NNSA multi-year strategic objectives associated with each of the strategic performance objectives.

PERFORMANCE INCENTIVES

Performance incentives include stretch incentives, multi-site incentives and award term incentives. The Contractor may earn up to 25% of the performance incentive fee by obtaining the required minimum adjectival rating on the strategic performance objectives and successfully completing the stretch performance targets. Stretch targets are delineated in Attachment 1 and represent work that is above and beyond the minimum essential performance requirements. Each stretch target provides the Contractor the opportunity to earn additional incentive fee for successfully achieving challenging goals and objectives. Performance against each individual stretch target is separately rated based on objective and measurable criteria on a pass/fail basis. Notwithstanding the pass/fail rating for each stretch target, progress made toward achieving stretch targets will be factored into the subjective rating of the strategic performance objectives. The Stretch Incentive Fee is allocated to the following categories: programs, operations, and IM. Within any category, the Contractor must earn a performance objective summary level rating of "very good" or better in order to be eligible for the associated stretch incentive fee. Once the Contractor has passed this "gateway," it will earn the associated stretch incentive fee based on the percentage of stretch targets successfully completed. The Contractor will not receive credit for completing stretch targets that are associated with a performance objective or measure that receives an adjectival rating of "unsatisfactory."

The Contractor may earn up to 10% of the performance incentive fee by successfully completing the multi-site performance incentives set forth in Attachment 2. The multi-site incentives are intended to encourage cooperation, collaboration, and integration across the Nuclear Weapons Complex (NWC) in order to accomplish the NNSA "Getting the Job Done" goals and measure the performance of the entire NWC in terms of achievement of a collective outcome. Performance against each individual multi-site incentive is separately rated by NNSA Program Officials on a pass/fail basis for the entire complex based on the criteria set forth in Attachment 2.

Pursuant to contract provision H-14, Award Term, commencing in FY 2009, the Contract's term will be extended if the Contractor both (1) obtains the required rating on the performance incentive fee section's objectives contained in the PEP, and (2) meets the award term incentives set forth in the award term section of the PEP. In order to be eligible to earn the award term incentive (ATI), the Contractor must earn at least 80% of the maximum performance incentive fee for FY 2012 of \$29,754,217 and successfully complete at least four out of the five ATI measures, including any ATI measure designated as mandatory. The ATI measures are set forth below:

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Award Term Incentives:

1. Stockpile Stewardship Mission (Mandatory)

Objective:

Demonstrate excellence in executing the Stockpile Stewardship Mission. This includes completion of Directive Schedule responsibilities, support of requests for technical support from the nuclear weapon complex, enhancement of assessment and certification capabilities, transformation initiatives, and effective management of RTBF facilities. The expectations are that LLNL will strengthen national security by meeting commitments required to sustain a safe, secure, and reliable nuclear weapons stockpile; maintain a capable and responsive infrastructure, and conduct research and development essential to our national security responsibilities.

Provide leadership in the development and application of supercomputing. Continue to effectively manage the Sequoia acquisition. Complete initial installation and operation of next-generation Tri-lab Linux Capacity Clusters and associated common user environment. Provide technical expertise and strategic input in moving to exascale computation.

Sustain excellence in the management of core defense programs work. Complete Annual Assessment process, joint assessment reviews, and INWAP challenge team assessments. Provide technical expertise and capabilities to other sites to achieve Directive Schedule deliverables, Defense Program Code Blue needs, and Defense Program "Getting the Job Done" priorities. Provide technical expertise and capabilities for the US-UK Mutual Defense Agreement.

Execute the lead role in the design and development of Life Extension Program (LEP) for W78. Complete W78 LEP Phase 6.1 Concept Assessment Study and begin Phase 6.2/6.2A Feasibility Study. Execute the High Energy Density plan. Complete the PCF 2012 Pegpost. Apply new metrics and diagnostics to better quantify the state of surveillance.

Completion Criteria:

Achieve at least a Very Good adjectival rating on Measures 1.1 through 1.5, and Measures 2.1 through 2.6, and achieve applicable NNSA MYSOs.

2. Site Transformation Activities

Objective:

Successfully manage the transition of laboratory operations necessary to accommodate completion of the mission after de-inventory of Security Category I and II material, meeting the challenges and capitalizing on opportunities.

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Completion criteria:

Complete the current SNM de-inventory plan while ensuring that Superblock is able to support the timely execution of the W78 LEP. Work with receiving sites and transportation and packaging authorities to resolve issues related to the packaging, transportation, and storage of material identified for removal.

Manage the TRU waste generation, packaging and disposition process consistent with EM requirements necessary to accomplish de-inventory.

Complete post de-inventory security program planning. Be prepared to implement the de-inventory security program plan, including security support reductions at the beginning of FY13. Working closely with other sites and NNSA program managers, complete the Cat I/II Mission Transfer Program Plan, updating the plan during the year as needed as requirements change. Complete the transition of B332 for future work, including removing outdated and/or contaminated equipment and materials and consolidating operations where possible, minimizing operating costs and long term liabilities.

If directed to do so by NNSA, update and revise post 2012 plans for material management and storage, operations, program execution, and security as necessary to accommodate changes in mission priorities. As an example, this could include modifying the existing plans as necessary to allow for a different security posture such that limited Cat 1 work to occur at LLNL post 2012. Implement the changes necessary to the facilities, programs, or staffing necessary to accommodate the changes in mission priorities as outlined in the updated plans.

3. Sustainable Management

Objective:

Transform NNSA by leading the complex in the area of sustainable management. Establish LLNL as a recognized leader in the area of sustainable management of federal facilities. Implement the policy goals outlined in the Presidential Executive Order 13514, *Federal Leadership in Environmental, Energy, and Economic Performance*, and Executive Order 13423, *Strengthening Federal Environmental Energy and Transportation Management*, and subsequent federal goals and orders for environmental, transportation, and energy-related activities. In April 2010, the Administrator issued a memorandum with the subject "NNSA Leadership in Sustainability" and stated "NNSA will continue to lead through example by proactively supporting the sustainability and energy goals set forth in EO 13514 and related Orders and legislation." In July 2010, the Administrator issued a memorandum with the subject "Sustainability Planning" and stated that NNSA laboratories collaborate with other National Laboratories using the full suite of resources at their disposal (including the expertise of laboratory scientists and engineers) to develop innovative, cross-cutting strategies for meeting the Executive Order goals. Consistent with the current DOE Strategic Sustainability Performance Plan, efforts should focus on energy and water conservation, use of renewable energy sources, transportation efficiency, green building practices, waste minimization, greenhouse gas emissions reduction, and other sustainable practices.

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Completion criteria:

Demonstrate progress on sustainability goals in FY12. Employ the science, technology, and engineering assets at LLNL to provide innovative solutions that can be applied locally, regionally, and at other federal facilities.

- Implement a Site Sustainability Plan focused on meeting the Presidential and Secretarial goals referenced above. Addressing new business growth and improvements in electrical energy intensity per teraflops are examples of new metrics in the Plan which will help ensure the FY2003 baseline improvements continue to support the LLNL Mission. Establish a program to drive sustainability behavioral change .
- Demonstrate progress by implementing low and no cost changes and employing best demonstrated available technologies to meet and/or exceed interim goals set in the Executive Orders, that would otherwise not be used (examples include native landscaping, energy efficient lighting and control systems, and fully using HVAC setbacks in capable buildings). Fully support implementation of pilot or full-scale renewable energy technology on-site to meet renewable energy goals in a cost effective way.
- Demonstrate progress in the areas of:
 - Water conservation,
 - Greenhouse Gas Emissions (Scopes 1, 2, or 3) reduction,
 - Energy Intensity Reduction,
 - High Performance Sustainable Buildings,
 - Renewable Energy
- Demonstrate progress in growing research capability in the energy and environmental security mission area including simulating and understanding climate change, its consequences on a regional scale, and uncertainty quantifications. In addition by forming strong industrial partnerships, grow expertise in deployment of wind power, underground coal gasification and carbon capture and sequestration.
- Demonstrate progress towards meeting applicable NNSA multi-year strategic objectives (MYSOs).

4. Accredited Management Systems

Objective:

Pursue and fully implement recognized third party consensus standards that better position the Lab for Interagency Work opportunities, provide streamlined and efficient oversight processes, and/or allow for more efficient mission support processes.

Completion criteria:

Fully implement OSHAS 18001 accredited safety management system; maintain and fully implement ISO 14001 accredited system; and develop and submit to NNSA a project plan for achievement of ISO 9001 third party accreditation in FY 2013. Demonstrate full implementation

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through third-party audits. These audits shall include documented evidence that OSHAS 18001 and ISO 14001 are fully implemented at LLNL.

5. Development and Management of Interagency Work

Objective:

Broaden NNSA National Security Mission, maximize NNSA buying power, and maintain critical skills through strategic pursuit of interagency work. Implement institutional project management tools and business systems to improve interagency work execution, quality of work proposals, and process efficiencies. Incorporate recommendations from the NNSA Lean Six Sigma review of the interagency agreement process as applicable. Establish the Interagency Mission Business Office, in the Office of Strategic Outcomes, as the focal point for coordination and submittal of all Interagency Mission Work Packages to the Livermore Site Office for DOE approval. Improve mutual understanding of the review requirements applicable to these projects to enhance LLNL's ability to complete approval of Interagency Mission agreements efficiently and adequately. Assure completeness, standardization and integrity of documentation and supporting data.

Completion criteria:

Channel all Interagency Mission proposal packages through the Office of Strategic Outcomes Interagency Mission Business Office (IBO) to enable:

- uniform institution-wide understanding of LSO review factors and requirements
- early identification of unique circumstances and terms and conditions and early resolution thereof
- application and communication of lessons learned to satisfy requirements, improve quality and gain efficiency
- heightened contracts management acumen and approach
- single point of contact within IBO and LSO for each proposal package

Demonstrate reduction in proposal approval and funding acceptance cycle times realized from this consolidated, institutionalized approach. Objective evidence of achievement of performance would include at least a 90% approval rate of Authorization Work Packages on first submittal by the LSO and a reduction in eAWP cycle time days for federal agreements by at least 10%.

Conduct pre-start reviews for appropriate projects, provide proposal writing training to principal investigators, enhance proposal tracking methods/tools, initiate design of an institutional repository and reporting for customer data and information, develop and implement project management tools to support interagency mission work, and develop and implement a system to solicit customer feedback on work execution.

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PERFORMANCE RATING PROCESS

Approximately six months into the performance period, NNSA and the Contractor will hold a mid-year performance assessment meeting to present the Contractor's self-assessment and NNSA's performance assessment. Approximately one week prior to the scheduled mid-year performance assessment meeting, the Contractor will submit its draft self-assessment for NNSA review. The mid-year assessment will consist of (1) adjectival ratings for each of the strategic performance objectives and measures, (2) stoplight ratings for each of the essential targets, (3) stoplight ratings for each of the stretch incentives, stoplight ratings for each of the multi-site incentives, (4) stoplight ratings for each of the award term incentives, and (5) a summary of performance issues and concerns, corrective actions taken, internal controls implemented, and major accomplishments. The presentation will be a bullet-type format with limited narrative. The stop light indicators are set forth as follows:

- Green: No significant issues, performance meeting expectations.
- Yellow: Issues/concerns that require discussion.
- Red: Major or serious issues, executive management awareness or action required to resolve.
- White: Too early to evaluate or no data available.

The parties recognize that open and frequent communications during the rating period are critical in achieving the highest level of performance by the Contractor and that formal or informal performance assessment meetings may be established on a more frequent basis as agreed to by the parties.

The Contractor shall prepare an annual self-assessment of its performance against each of the performance objectives and incentives contained in the PEP. The self-assessment will include (1) adjectival ratings for each of the strategic performance objectives and measures, (2) summary level adjectival ratings for programs, operations, and IM, and (3) completion status of all stretch incentives, multi-site incentives, and award term incentives. The annual self-assessment shall be submitted within five working days after the end of the appraisal period. NNSA will consider the Contractor's self-assessment in preparing the performance evaluation report and when making its final fee recommendation to the NNSA fee determining official (FDO).

ALLOCATION OF INCENTIVE FEE

The maximum available fee related to the DOE/NNSA work effort for FY 2012 is \$42,506,024, 70% of which will be applied to performance incentive fee. Therefore, the maximum performance incentive fee for FY 2012 is \$29,754,217. Approximately 65% of the maximum performance incentive fee is allocated to the strategic performance objectives, 25% to the stretch incentives, and 10% to the multi-site Incentives. The Contractor's performance rating, as

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determined by DOE/NNSA, will entitle the Contractor to collect up to the following maximum performance incentive fee by category:

STRATEGIC PERFORMANCE OBJECTIVE FEE (SUBJECTIVE)

Adjectival Rating	Programs Max. Fee \$	Operations Max. Fee \$	IM Max. Fee \$	Max. Subtotal \$	Max. % of Subtotal	Max. % of Total
Excellent	\$8,033,639	\$6,843,470	\$4,463,133	\$19,340,241	100%	65%
Very Good	\$7,230,275	\$6,159,123	\$4,016,820	\$17,406,218	90%	59%
Good	\$6,025,229	\$5,132,603	\$3,347,350	\$14,505,182	75%	49%
Satisfactory	\$4,016,820	\$3,421,735	\$2,231,567	\$9,670,122	50%	33%
Unsatisfactory	\$0	\$0	\$0	\$0	0%	0%

STRETCH INCENTIVE FEE (OBJECTIVE)

	Programs	Operations	IM	Subtotal	Max. % of Total
Maximum Fee*	\$3,868,048	\$2,082,795	\$1,487,710	\$7,438,553	25%

* Incentive fee calculated by multiplying the percentage of stretch targets successfully completed within programs, operations, and IM by the corresponding dollars amounts set forth above.

MULTI-SITE INCENTIVE FEE

Multi-site Target #	Title	Incentive Fee %	Incentive Fee \$
1.1	Execute the defined Surveillance Program.	15%	\$446,313
1.2	Ensure W76-1 LEP production for subassemblies remains on schedule.	0%	\$0
1.3	Complete FY12 B61 Phase 6.3 Development Engineering activities that enable a 2017 FPU.	5%	\$148,771
1.4	Conduct Phase 6.X activities for the W78 LEP.	15%	\$446,313
2.1	Achieve ignition on the NIF.	30%	\$892,627
2.2	Achieve advances in experimental and computational tools.	30%	\$892,627
2.3	Execute the plan for subcritical experiment at UIa.	5%	\$148,771
Total Fee		100%	\$2,975,422

CHANGE CONTROL

Any changes to the PEP must be approved by the Contracting Officer. The content of the PEP can be revised through a formally defined change control process that includes mutual agreement between NNSA and LLNS, supported by appropriate approvals. All changes should be initiated and documented using the PEP change request form. However, the NNSA Livermore Site Office Manager reserves the unilateral right to make the final decision on all performance objectives and performance incentives (including the associated measures and targets) used to evaluate Contractor performance.

TABLE 1
ADJECTIVAL RATING CRITERIA AND FEE RANGES

Adjectival Rating	Subjective Fee Range	Definition
Excellent	91-100%	Contractor has exceeded almost all of the significant award fee criteria and has met overall cost, schedule, and technical performance requirements of the contract as defined and measured against the criteria in the award-fee plan for the award fee evaluation period.
Very Good	76%-90%	Contractor has exceeded many of the significant award fee criteria and has met overall cost, schedule, and technical performance requirements of the contract as defined and measured against the criteria in the award-fee plan for the award-fee evaluation period.
Good	51% - 75%	Contractor has exceeded some of the significant award fee criteria and has met overall cost, schedule, and technical performance requirements of the contract as defined and measured against the criteria in the award-fee plan for the award-fee evaluation period.
Satisfactory	No Greater than 50%	Contractor has met overall cost, schedule and technical performance requirements of the contract as defined and measured against the criteria in the award-fee plan for the award-fee evaluation period.
Unsatisfactory	0%	Contractor has failed to meet overall cost, schedule, and technical performance requirements of the contract as defined and measured against the criteria in the award-fee plan for the award-fee evaluation period.

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Performance Category	Number	Performance Objective/Measure/Target	Type	NNSA Program Office
Programs	1	Understanding the condition of the Stockpile, Extending the Life of Nuclear Warheads and Support Dismantlement.	Objective	NA-12
Programs	1.1	Manage weapons systems work.	Measure	NA-122
Programs	1.2	Conduct assessments of weapons systems.	Measure	NA-124
Programs	1.2.1	Execute scaled all-optical hydro shot.	Stretch Target	NA-124
Programs	1.2.2	Extend INWAP.	Stretch Target	NA-124
Programs	1.3	Manage and support LEPs.	Measure	NA-124 NA-122
Programs	1.4	Manage options for the Stockpile.	Measure	NA-124
Programs	1.5	Support dismantlement complex wide.	Measure	NA-122
Programs	2	Advance the science, technology, and engineering to support the mission through experiments and computations.	Objective	NA-11
Programs	2.1	Execute Key SNM and Integrated Experiments.	Measure	NA-113 NA-115
Programs	2.1.1	Develop HED platforms to meet SSP objectives.	Stretch Target	NA-113
Programs	2.1.2	Phase determination using diffraction on Ta at high pressure on NIF.	Stretch Target	NA-113
Programs	2.2	Advance 3-D Assessment and UQ Capabilities.	Measure	NA-114
Programs	2.2.1	Assess capability of application of sub-grid models in WCI simulation codes on NIC Ignition capsules.	Stretch Target	NA-114
Programs	2.2.2	Perform increased-fidelity downhole simulations of UGTs with the ASC Code System as part of the annual assessment process.	Stretch Target	NA-114
Programs	2.3	Execute and support Sequoia, TLCC, and Exascale.	Measure	NA-114
Programs	2.4	Advance Predictive Capabilities (PCF).	Measure	NA-113
Programs	2.5	Advance Material Models and Theory.	Measure	NA-114
Programs	2.5.1	Demonstrate Ramp Compression on Phoenix.	Stretch Target	NA-114
Programs	2.5.2	Develop Improved gas EOS for specific applications.	Stretch Target	NA-114
Programs	2.6	Assess & Innovate Options for the Stockpile.	Measure	NA-113, 124
Programs	2.6.1	Execute surety experiment.	Stretch Target	NA-113
Programs	3	Advance the science, technology, and engineering to support the mission through ICF.	Objective	NA-112
Programs	3.1	Successfully lead execution and completion of the National Ignition Campaign (NIC).	Measure	NA-112

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Performance Category	Number	Performance Objective/Measure/Target	Type	NNSA Program Office
Programs	3.1.1	Exceed expectations in execution of the National Ignition Campaign by completing any of the following three tasks: 1. Perform two Ignition shots with Gain >1. 2. Complete the NIC level-2 milestone "Demonstrate Gain = 1 in a DT Implosion experiment" more than 30 days ahead of schedule. 3. Complete the NIC level-2 milestone "Demonstrate limited alpha heating in a DT Implosion experiment" more than 30 days ahead of schedule.	Stretch Target	NA-112
Programs	3.2	Successfully transition NIF to routine facility operations and begin to transition to a user facility for weapon and High Energy Density science by the end of FY 2012.	Measure	NA-112
Programs	3.2.1	Put in place the organizational, personnel, program, and operational changes necessary to accommodate the modified overhead rate structure for the NIF Directorate expected in FY 2013.	Stretch Target	NA-112
Programs	3.3	Execute high energy density experiments on the NIF to support current and future needs of Stockpile Stewardship, other national security, Fundamental Science, and energy missions.	Measure	NA-112
Programs	4	Reduce Nuclear Dangers through support to nonproliferation and threat reduction.	Objective	NA-20
Programs	4.1	Provide technical expertise to secure vulnerable Nuclear Materials.	Measure	NA-21, 25
Programs	4.2	Provide technical expertise to impede sensitive nuclear trade.	Measure	NA-24
Programs	4.3	Provide technical expertise to support nuclear materials detection.	Measure	NA-22, 24
Programs	4.4	Provide technical expertise in support of Arms Control Commitments.	Measure	NA-24
Programs	4.5	Support the needs of the Intelligence community.	Measure	DOE-IN
Programs	5	Strengthen the ST&E base and develop technical capabilities needed to support current and future LLNL missions.	Objective	NA-11, DOE
Programs	5.1	Maintain S&T excellence as demonstrated through externally validated achievements and selected metrics in order to supply capabilities to broad national security challenges.	Measure	DOE, NA-111
Programs	5.1.1	Validate quality of ST&E through external peer review.	Essential Target	NA-111
Programs	5.1.2	Demonstrate S&T excellence through publications, awards, recognition, and benchmarked metrics.	Essential Target	NA-111
Programs	5.1.3	Participate in the general S&T community (professional societies, professional service, conferences, etc.).	Essential Target	NA-111

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Performance Category	Number	Performance Objective/Measure/Target	Type	NNSA Program Office
Programs	5.2	Advance science, technology and engineering competencies by investing internal resources (including LDRD) to enhance capabilities and anticipate future NNSA needs.	Measure	NA-111
Programs	5.2.1	Demonstrate that internal investments (e.g., LDRD) are aligned with thrust areas identified in the 5-year S&T roadmap.	Essential Target	NA-111
Programs	5.2.2	Demonstrate that investments are productive and of high quality with significant achievements and impact.	Essential Target	NA-111
Programs	5.3	Develop and maintain ST&E capabilities that strengthen and broaden our understanding of future needs.	Measure	NA-111
Programs	5.3.1	Implement a strategy for new collaborative research with industry, including execution of LVOC Initiative.	Essential Target	NA-111
Programs	5.3.2	Demonstrate effective recruitment, retention, and workforce development.	Essential Target	NA-111
Programs	5.3.3	Execute effective student and postdoc programs.	Essential Target	NA-111
Programs	5.4	Assist overall DOE science and energy security efforts by effectively executing externally funded R&D efforts to support sponsor needs.	Measure	NA-112
Operations	6	Provide and maintain the core facilities and infrastructure capabilities necessary to execute mission responsibilities.	Objective	NA-16
Operations	6.1	Operate mission critical and user facilities as national capabilities.	Measure	NA-162
Operations	6.2	Maintain and manage F&I assets with flexibility to support capabilities required for current and future missions.	Measure	NA-162
Operations	6.3	Demonstrate progress towards achieving the Federal and DOE energy efficiency and water conservation goals.	Measure	NA-161
Operations	6.4	Complete the delinventory and program transfer according to the 2012 Delinventory Plan.	Measure	NA-162
Operations	6.5	Execute effective Environmental Restoration and D&D programs.	Measure	NA-161
Operations	6.6	Treat store and disposition waste from RHW facilities in a safe, compliant and efficient manner to support mission objectives.	Measure	NA-162,172
Operations	6.6.1	Package/repackage additional 20 drums of TRU consistent with the EM-12 packaging instructions.	Stretch Target	NA-162
Operations	6.7	Execute all projects consistent with project baselines and DOE O 413.3.	Measure	NA-161
Operations	7	Maintain safe and environmentally sound operations in an efficient and effective manner in support of mission objectives.	Objective	NA-SH, 40
Operations	7.1	Maintain effective environment, safety, and health institutional programs.	Measure	NA-SH, 40
Operations	7.1.1	Identify, document, and continuously improve environmental, safety, and health programs.	Essential Target	NA-SH, 40
Operations	7.1.2	Improve the Industrial Hygiene program through formalization of documentation and operations.	Essential Target	NA-SH
Operations	7.1.3	Improve the Fire Protection program.	Essential Target	NA-SH

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Performance Category	Number	Performance Objective/Measure/Target	Type	NNSA Program Office
Operations	7.1.4	Continue the efforts to manage chemical inventories by eliminating legacy chemicals that no longer have a future mission use. Each PAD or AD will meet one of the following goals: 10% of total chemical inventory, 10% of total gas cylinder inventory, 5% of chemical inventory over 10 years of age or 5% of gas cylinder inventory over 10 years of age. Use 10/1/2010 date to calculate inventory quantity.	Stretch Target	NA-SH
Operations	7.1.5	Reconfigure the existing Disaster/Self Help Program to optimize the operation of institutional infrastructures, the upkeep of institutional-level documentation, and the distribution and maintenance of supplies/equipment.	Stretch Target	NA-40
Operations	7.1.6	Assist Facility/Program Management in the development, documentation, and provide guidance in the implementation of a facility-level drill/exercise program for those facilities having an Emergency Planning Hazards Assessment (EPHA).	Stretch Target	NA-40
Operations	7.1.7	Develop/improve capabilities for fire modeling and simulation in the LLNL Fire Protection Group by providing a fire model training course for FPEs; apply fire modeling to at least one LSO/LLNL mutually agreed upon fire protection-related project for which the results of the fire modeling add value.	Stretch Target	NA-SH
Operations	7.2	Nuclear Safety Baseline - Establish and maintain a compliant, effective, and efficient safety basis for the LLNL nuclear facilities and activities.	Measure	NA-172
Operations	7.3	Nuclear Operations - Implement and maintain safe, compliant, effective, and efficient nuclear operations.	Measure	NA-172
Operations	7.4	Nuclear Safety Programs - Maintain and continuously improve compliant, effective, and efficient nuclear safety programs.	Measure	NA-172
Operations	8	Maintain secure operations in an efficient and effective manner in support of mission objectives	Objective	NA-70, IM
Operations	8.1	Support the NNSA Enterprise through DNS Management Excellence.	Measure	NA-70
Operations	8.1.1	Provide transparency into the physical and cyber security budget formulation and execution activities. Achieve compliance with DNS costing principles in accordance with an approved schedule, including full cost recovery for Work-for-Others. Submit budget requests and MSAP and Quarterly Cyber Security Program Reports in accordance with PPBE requirements and NNSA schedules.	Essential Target	NA-70, IM
Operations	8.1.2	Incorporate requirements traceability across all security planning documentation, e.g., Site Safeguards and Security Plan and supporting site policies and procedures, Annual Operating Plans (AOPs), Budget submittals, and Cyber Security Program Plan (CSPP), etc.	Essential Target	NA-70, IM
Operations	8.1.3	Administer FY12 site physical security and cyber security AOPs in accordance with NNSA PPBE change control and reporting requirements.	Essential Target	NA-70, IM

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Performance Category	Number	Performance Objective/Measure/Target	Type	NNSA Program Office
Operations	8.1.4	Develop FY13 Physical Security and Cyber Security AOPs in accordance with LSO schedule.	Essential Target	NA-70, IM
Operations	8.2	Manage risk to effectively and efficiently address the spectrum of security threats.	Measure	NA-70
Operations	8.2.1	Implement NAP requirements into site policies and operational practices.	Essential Target	NA-70, IM
Operations	8.2.2	Continue to evaluate physical security operations with SNLCA for consolidation opportunities. Implement approved consolidation recommendations as determined by the SNL-LLNL Security Board in accordance with NNSA funding.	Essential Target	NA-70
Operations	8.3	Recruit, sustain, and exercise the talents of people and critical skills needed to protect the Enterprise.	Measure	NA-70
Operations	8.3.1	Identify and address skills gaps for security staff.	Essential Target	NA-70
Operations	8.3.2	Sustain critical security staff to support CAT I operations through de-inventory.	Essential Target	NA-70
Operations	8.4	Provide assurance of effective and sustained performance.	Measure	NA-70, IM
Operations	8.4.1	Conduct self assessments in all topical areas and provide periodic performance ratings to LSO. Reporting to LSO addresses identification of requirements, implementation of site policies and procedures, and verification of practices. Corrective actions are taken when necessary.	Essential Target	NA-70, IM
Operations	8.4.2	Develop corrective actions plans and complete corrective actions in accordance with the planned schedules and budget. Reporting to LSO addresses identification of requirements, implementation of site policies and procedures, and verification of practices.	Essential Target	NA-70, IM
Operations	8.4.3	Achieve satisfactory or effective performance ratings in Site Office performance evaluations and external surveys or assessments.	Essential Target	NA-70, IM
Operations	8.5	Plan for post de-inventory security operations.	Measure	NA-70
Operations	8.5.1	Develop post de-inventory staffing levels in coordination with LSO and DNS.	Essential Target	NA-70
Operations	8.5.2	Complete post de-inventory security program planning. Be prepared to implement the de-inventory security program plan, including security support reductions, at the beginning of FY13.	Essential Target	NA-70
Operations	8.5.3	Provide MC&A support to meet LLNL's de-inventory schedule.	Essential Target	NA-70
Institutional Management	9	Manage business operations in an effective and efficient manner while safeguarding public assets and supporting mission objectives.	Objective	NA-14, MB
Institutional Management	9.1	Perform effective financial management in accordance with applicable requirements and standards.	Measure	NA-14, MB
Institutional Management	9.1.1	Maintain an overall satisfactory performance rating in the FY 2012 NNSA OFFM Integrated Contractor Financial Management Performance Measures.	Essential Target	NA-14, MB

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Performance Category	Number	Performance Objective/Measure/Target	Type	NNSA Program Office
Institutional Management	9.1.2	Manage projected year-end indirect cost pool variances during the year to within +/- 5% of costs or a maximum of \$10M by pool, whichever is less, and implement corrective actions when projected variances are likely to exceed the threshold.	Essential Target	NA-14, MB
Institutional Management	9.1.3	Maintain adequate internal controls and implement corrective actions from Internal Audit No.10-14 to assure that labor charging practices are accurate and compliant and that labor is not charged based on availability of funds; perform a follow-up audit in FY2012.	Essential Target	NA-14, MB
Institutional Management	9.1.4	Submit adequate and compliant CASB Disclosure Statement and oversee practices for compliance. Perform CAS compliance audits in accordance with the approved internal audit plan.	Essential Target	NA-14, MB
Institutional Management	9.1.5	Continue phased development and implementation of an institutional funds management system to incorporate reporting of actual and forecasted DOE funding, costs and commitments.	Essential Target	NA-14, MB
Institutional Management	9.1.6	Demonstrate full support for DOE/NNSA initiatives and LSO efforts in indirect cost transparency.	Essential Target	NA-14, MB
Institutional Management	9.1.7	Demonstrate consistent use of LSO approved rates for estimating, accumulating and reporting costs. In addition, establish and maintain internal controls within the estimating system to ensure the use of approved forward pricing rates by all programmatic organizations.	Stretch Target	NA-14, MB
Institutional Management	9.2	Demonstrate an effective and efficient Supply Chain Management function.	Measure	NA-APM
Institutional Management	9.2.1	Maintain an approved Purchasing System utilizing the objectives matrix.	Essential Target	NA-APM
Institutional Management	9.2.2	Fully support the NNSA SCMC initiative meeting or exceeding all goals.	Essential Target	NA-APM
Institutional Management	9.2.3	Maintain an approved Property Management System.	Essential Target	NA-APM
Institutional Management	9.2.4	Execute a business review of the LLNL Fleet Management program by 12/31/11 to identify the most cost effective method(s) for (1) maintaining, repairing, and fueling of government vehicles leased from GSA, and (2) managing the GSA government vehicle vehicles to achieve the "right size" for the fleet with a goal of full implementation by 12/31/12. Begin implementation in FY11 and meet applicable	Stretch Target	NA-APM
Institutional Management	9.3	Maintain a centralized Strategic Human Resources Management (SHRM) Directorate that provides leadership and infrastructure to ensure recruitment, development, and maintenance of the workforce.	Measure	NA-MB
Institutional Management	9.3.1	Design a succession planning model and processes; facilitate and launch a pilot in one direct and one indirect PAD for an identified population; and assess pilot.	Stretch Target	NA-MB

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Performance Category	Number	Performance Objective/Measure/Target	Type	NNSA Program Office
Institutional Management	9.3.2	Establish individual employee performance elements that serve as a basis for eligibility for individual variable pay.	Stretch Target	NA-MB
Institutional Management	10	Governance assures performance and creates long-term sustainable value for the institution.	Objective	NA-171
Institutional Management	10.1	The LLNL Contractor Assurance System (CAS) effectively enables continuous improvement of LLNL performance, integrates and aligns LLNL management systems and supports corporate parent governance.	Measure	NA-171
Institutional Management	10.1.1	In the first and second quarters, FY 2012, LLNL will modify or enhance the LLNL CAS to resolve "effectiveness" Findings identified by the FY 2011 LLNS FMR and other LLNL assessments conducted at the direction of LSO to assess address NNSA NAP-21 gaps identified by LLNL.	Essential Target	NA-171
Institutional Management	10.1.2	No later than the fourth quarter, FY 2012, LLNL will formally inform the LLNS Board of Governors and the LSO Office Manager that the LLNL CAS is ready for NNSA affirmation in accordance with NNSA NAP-21.	Essential Target	NA-171
Institutional Management	10.2	Improve the performance and agility of the IRM systems.	Measure	NA-IM
Institutional Management	10.2.1	Consolidate 400 servers into B112 Data Center, establish on-demand server program, and begin development of Institutional Desktop Refresh Program.	Essential Target	NA-IM
Institutional Management	10.2.2	Execute Business Systems Strategy and fund and execute institutional business system projects in accordance with the priorities set forth in the LLNL Business System Council (BSC) FY12.	Essential Target	NA-IM
Institutional Management	10.2.3	Develop ITIL Plan and develop CIO-wide Change Management Plan.	Essential Target	NA-IM
Institutional Management	10.2.4	Implement Risk Based Cyber Security management.	Essential Target	NA-IM
Institutional Management	10.3	Effectively implement and follow a Legal Management Plan that complies with 10 CFR Part 719 and DEAR 970.5228-1 and incorporates best practices and procedures.	Measure	NA-GC
Institutional Management	10.3.1	Best practices demonstrate effective internal controls and continuous improvement to maintain acceptable legal management designed to reduce the following: litigation costs; outside counsel fees and costs; and cost of judgments, awards and settlements. Provide litigation support as necessary to DOE/NNSA.	Essential Target	NA-GC
Institutional Management	10.4	Develop and implement initiatives to increase the effectiveness and efficiency of the Laboratory.	Measure	NA-MB,17
Institutional Management	10.4.1	BOG and Parent Organizations assists the contractor in performance improvements.	Essential Target	NA-171
Institutional Management	10.5	The Quality Assurance Program is integrated and aligned with the Management Assurance Program to assure that the quality of work meets or exceeds customer requirements and expectations.	Measure	NA-17

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ATTACHMENT 1**

Performance Category	Number	Performance Objective/Measure/Target	Type	NNSA Program Office
Institutional Management	10.6	Line Management demonstrate ES&H accountability through documented actions.	Measure	NA-SH
Institutional Management	10.7	Reduce generation of hazardous, low-level, and mixed low level waste.	Measure	NA-162

FY 2012 Performance Evaluation Plan
Attachment 2
LLNL Multi-Site Targets

Item	FY12 Multi-Site Target	HQ NNSA Champion	FY12 Contractor Success Criteria	NNSA Owners	M&O Lead & Primary Participating Sites
1	Stockpile (25% minimum of Multi-Site total)	S. Goodrum	<p>1.1 Execute the defined Surveillance Program.</p> <p>Implementing Criteria:</p> <p>1.1.1 Each site will execute the surveillance program, according to the PCD and specific design agency requirements.</p> <p>1.1.2 Develop and implement methods of improving programmatic performance and efficiencies as identified in the value stream analysis.</p> <p>Exit Criteria:</p> <p>1.1.3 Complete FY12 surveillance activities in accordance with the PCD per design agency requirements.</p> <p>1.1.4 Provide complete cycle reports to design agencies.</p> <p>1.1.5 Report FY12 surveillance activities to QERTS.</p>		<p>Lead:</p> <p>Participating Sites: PX, KCP, Y-12, LANL, SNL, LLNL & SRS</p>
		S. Goodrum	<p>1.2 Ensure W76-1 LEP production for subassemblies (except the MC4700 Arming, Fuzing, and Firing Assembly) remains on schedule as identified in the W76-01 PCD. The MC4700 AF&Fs are available for Pantex assembly and W76-1/Mk4A Reentry Bodies are available for delivery to the U.S. Navy in accordance with the FPM recovery schedules.</p> <p>Implementing Criteria:</p> <p>1.2.1 Meet quarterly production targets.</p> <p>1.2.2 Interface with the U.S. Navy to confirm</p>		<p>Lead:</p> <p>Participating Sites: SNL, LANL, KCP, PX, Y-12, SNL & SRS</p>

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LLNL Multi-Site Targets

Item	FY12 Multi-Site Target	HQ NNSA Champion	FY12 Contractor Success Criteria	NNSA Owners	M&O Lead & Primary Participating Sites
			<p>requirements.</p> <p>Exit Criteria:</p> <p>1.2.3 The W76-1 LEP production for subassemblies (except MC4700 AF&F) is completed and available for next assembly in accordance with the W76-01 PCD.</p> <p>1.2.4 The MC4700 AF&Fs are NNSA accepted and available for delivery to Pantex in accordance with the FPM recovery schedule.</p> <p>1.2.5 The W76-1/Mk4A Reentry Body Assemblies are NNSA accepted and available for delivery to the Navy in accordance with the FPM recovery schedule.</p>		
		S. Goodrum	<p>1.3 Complete FY12 B61 Phase 6.3 Development Engineering activities that enable a 2017 FPU.</p> <p>Implementing Criteria:</p> <p>1.3.1 Complete component design reviews, IPG component Gate A & B and issue ESR Stage I for B61 ship level entities IAW B61 Phase 6.4-6.6 integrated master schedule (IMS).</p> <p>1.3.2 Provide hardware, assembly and conduct environmental flight testing (IMTU & VFA) to define STS environments IAW the B61 Phase 6.3-6.6 IMS.</p> <p>1.3.3 Continue component development builds to ensure readiness for a 2017 FPU IAW B61 Phase 6.3-6.6 IMS.</p> <p>1.3.4 Finalize and issue life of program buy</p>		<p>Lead:</p> <p>Participating Sites: SNL, LANL, LLNL, PX, Y-12, KCP & SRS</p>

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LLNL Multi-Site Targets

Item	FY12 Multi-Site Target	HQ NNSA Champion	FY12 Contractor Success Criteria	NNSA Owners	M&O Lead & Primary Participating Sites
			<p>requirements for vendor components IAW B61 Phase 6.3-6.6 IMS.</p> <p>Exit criteria:</p> <p>1.3.5 Conduct System Conceptual Design Review.</p> <p>1.3.6 Achieve FPM approved TRL/MRL targets.</p>		
		S. Goodrum	<p>1.4 Conduct Phase 6.X activities for the W78 LEP.</p> <p>Implementing Criteria:</p> <p>1.4.1 Coordinate with the Air Force on LEP requirements to develop conceptual designs</p> <p>1.4.2 Propose a design option sub-set to be carried into Phase 6.2/2a.</p> <p>1.4.3 Initiate feasibility studies among the option sub-set.</p> <p>Exit Criteria</p> <p>1.4.5 Phase 6.1 briefing to NWCSSC that requests entry into Phase 6.2/2A.</p> <p>1.4.6 Matrix of design options to be carried into Phase 6.2/2A.</p> <p>1.4.7 Documentation of analysis activities to determine option feasibility.</p>		<p>Lead:</p> <p>Participating Sites: PX, KCP, Y-12, LANL, SNL, LLNL & SRS</p>

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Attachment 2
LLNL Multi-Site Targets

Item	FY12 Multi-Site Target	HQ NNSA Champion	FY12 Contractor Success Criteria	NNSA Owners	M&O Lead & Primary Participating Sites
2	Science (25% minimum of Multi-Site total)	C. Deeney	<p>2.1. Achieve ignition on the NIF.</p> <p>Implementing Criteria: 2.1.1 Execute DT implosion experiments with shaped laser pulse to reach ignition conditions.</p> <p>Completion criteria: 2.1.2 Gain > 1 demonstrated in a NIF DT implosion experiment: capsule output energy is greater than the laser energy delivered to the hohlraum.</p>		<p>Lead:</p> <p>Participating Sites: LLNL LANL SNL</p>
		C. Deeney	<p>2.2 Achieve advances in experimental and computational tools used in resolving Significant Finding Investigations (SFIs) and in supporting LEP activities associated with early phase primary implosion.</p> <p>Implementing Criteria: 2.2.1 Refine experimental and computational tools that could enable the assessment of a future SFI.</p> <p>Completion criteria: 2.2.2 Meet the completion criteria for the associated L1 milestone for initial boost conditions including pre-shot predictions for the Pollux experiment.</p>		<p>Lead:</p> <p>Participating Sites: LANL LLNL NNSS SNL</p>

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LLNL Multi-Site Targets

Item	FY12 Multi-Site Target	HQ NNSA Champion	FY12 Contractor Success Criteria	NNSA Owners	M&O Lead & Primary Participating Sites
		C. Deeney	<p>2.3 Execute the plan for subcritical experiment at U1a.</p> <p>Implementing Criteria: 2.3.1 Carry out a subcritical experiment at U1a with appropriate diagnostics to enable comprehensive data analysis.</p> <p>Completion criteria: 2.2.2 Conduct the Leda experiment in FY 2012.</p>		<p>Lead:</p> <p>Participating Sites: LANL LLNL NNSS SNL</p>
<p>Guidance:</p> <ul style="list-style-type: none"> • Minimum percentage fee structure: 25% for Stockpile; 25% for Science & Engineering; and remaining 50% allocated per Site Office Manager's discretion. • Sites not participating in a multi-site target will have their fee rolled up within the same major category (items 1, or 2). • Sites not participating in a major category (item) will have their fee distributed within remaining major categories (item) at the Site Office Manager's discretion. <p>The HQ "Champion" shall evaluate quarterly whether the multi-site target was achieved on a pass/fail basis taking into account inputs from the "Owners." At completion of 4th FY Quarter, NA-10 shall sign a Memo to Site Office Managers that contains the final evaluation ratings for each Multi-site Target; this Memo is used by the FDO for ultimate fee determination.</p>					

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Attachment 2
LLNL Multi-Site Targets

Glossary for FY12 Multi-Site Targets

Acronym / Term	Definition
DoD	Department of Defense
DT	
ESR	
FPM	Federal Program Manager
FY	Fiscal Year
IPG	
IPR	Independent Project Review
IMTU	
KCP	Kansas City Plant
L1	Level 1
LANL	Los Alamos National Laboratory
Leda	
LEP	Life Extension Program
LLNL	Lawrence Livermore National Laboratory
M&O	Management & Operator contractor of a NNSA Site
NIC	National Ignition Campaign
NIF	
NNSA	National Nuclear Security Administration replaces Atomic Energy Commission
NSE	Nuclear Security Enterprise same as Nuclear Weapons Complex for NNSA
NNSS	Nevada National Security Site
NWCSSC	
PCD	Program Control Document
Pu	plutonium
PX	Pantex Facility
QERTS	
SNL	Sandia National Laboratories
SNM	Special Nuclear Material
SRS	Savannah River Site
SSMP	Stockpile Stewardship & Management Plan
U1a	NTS' underground tunnel complex
UGT	Under Ground Test (nuclear)
VFA	
Y-12	Y-12 National Security Complex