

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT		1. CONTRACT ID CODE	PAGE 1	OF	PAGES 5
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2. AMENDMENT/MODIFICATION NO. M1163	3. EFFECTIVE DATE (M/D/Y) (See Block 16C)	4. REQUISITION/PURCHASE REQ. NO. N/A	5. PROJECT NO. (If applicable)
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6. ISSUED BY CODE U.S. Department of Energy Pacific Northwest Site Office Post Office Box 350 Richland, WA 99352	7. ADMINISTERED BY (If other than Item 6) CODE
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8. NAME AND ADDRESS OF CONTRACTOR (No., street, county, State and ZIP code)  Battelle Memorial Institute Pacific Northwest Division Richland, Benton County, WA 99352 DUNS # 032987476	<input type="checkbox"/>	9A. AMENDMENT OF SOLICITATION NO.
	<input type="checkbox"/>	9B. DATED (SEE ITEM 11)
	<input checked="" type="checkbox"/>	10A. MODIFICATION OF CONTRACT/ ORDER NO. <u>DE-AC05-76RL01830</u>
	<input checked="" type="checkbox"/>	10B. DATED (SEE ITEM 13) December 30, 1964
CODE	FACILITY CODE	

**11. THIS ITEM APPLIES TO AMENDMENTS OF SOLICITATIONS**

The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers  is extended,  is not extended. Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods: (a) By completing Items 8 and 15, and returning \_\_\_\_\_ copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGEMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE DATE AND HOUR SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and amendment and is received prior to the opening hour and date specified.

12. ACCOUNTING AND APPROPRIATION DATA (If required)

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

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

E. IMPORTANT: Contractor  is not,  is required to sign this document and return 2 copies to the issuing office.

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

This bilateral contract modification incorporates changes to Section B, Supplies or Services and Prices/Costs, Section F, Deliveries or Performance, Section H, Special Contract Requirements, Part III, Section J, List of Attachments, Part III, Section J Appendix D and Part III, Section J, Appendix C. (See Continuation Pages for the purpose of this modification).

15A. NAME AND TITLE OF SIGNER (Type or print)  Dana M. Storms Prime Contract Manager	16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print)  Ryan M. Kilbury Contracting Officer
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15B. CONTRACTOR/OFFEROR  (Signature of person authorized to sign)	15C. DATE SIGNED 05/15/2018	16B. UNITED STATES OF AMERICA BY  (Signature of Contracting Officer)	16C. DATE SIGNED 5-15-18
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## **1.0 Purpose of Modification:**

The Department of Energy (DOE), Office of Science (SC), Pacific Northwest Site Office (PNSO) is modifying the Contract to update Section B, Section F, Section H, and Section J to the most current form as described in this modification. The contract shall be amended as described in this modification to accomplish the following:

1. Revise Part I, Section B, Supplies or Services and Prices/Costs to update the amount of funds obligated to the Contract in B-2 Obligated Funds.
2. Revise Part I, Section F - Deliveries or Performance - Table of Contents to conform to the content of this Modification.
3. Revise Part I, Section F, Deliveries or Performance to add new Deliverable "H" to F-3 Deliverables.
4. Revise Part I, Section H - Special Contract Requirements - Table of Contents to conform to the content of this Modification.
5. Revise Part I, Section H – Special Contract Requirements H-21 Advance Understanding on Allowable Costs, items 2) Home Office Expenses and 3) Operational Support and Strategic Sourcing to be incorporated into the contract in its most current form.
6. Revise Part III, Section J - List of Attachments - Table of Contents to update Appendix titles.
7. Add Part III, Section J, Appendix C - Subcontracting Plan for Socioeconomic Programs - Pacific Northwest National Laboratory Subcontracting Plan Fiscal Year 2018.
8. Revise Part III, Section J – List of Attachments, Appendix D – List of DOE Applicable Directives & External Requirements to be incorporated into the contract in its most current form.

## **2.0 Description of Modification:**

1. Revise Part I, Section B, Supplies or Services and Prices/Costs, B-2 Obligated Funds to read as follows.

The total amount of funds presently obligated by the Government with respect to this Contract is **\$19,740,125,143.43** (through modification **A1165**). Such amount may be increased or decreased in accordance with Contract clause 970.5232-4 "Obligation of Funds."

[M1163]

2. Delete in its entirety Part I, Section F - Deliveries or Performance - Table of Contents and replace with Section F, Deliveries or Performance - Table of Contents enclosed and is incorporated herein by reference.

3. Delete in its entirety Part I, Section F - Deliveries or Performance and replace with Part I, Section F, Deliveries or Performance enclosed and is incorporated herein by reference.
4. Delete in its entirety Part I, Section H – Special Contract Requirements - Table of Contents and replace with Section H – Special Contract Requirements - Table of Contents enclosed and is incorporated herein by reference.
5. Delete in its entirety Part I, Section H, Special Contract Requirements, Clause H-21 Advance Understandings on Allowable Costs, Items 2) Home Office Expenses and 3) Operational Support and Strategic Sourcing and replace to read as follows.
  - 2) Home Office Expenses - Home Office residual expenses are allowable to the extent that such expenses are allowable per FAR 31.2 and DEAR 970.3102 and are allocable consistent with FAR 31.2 and the Cost Accounting Standards. These costs are capped by Fiscal Year (FY) at: (a) **\$5.4M** for Fiscal Year (FY) 2017, (b) **\$2.5M** for FY 2018, FY 2019 and FY 2020, (c) **\$2.4M** for FY 2021 and (d) **\$2.1M** for FY 2022. If the cap does not adequately cover Battelle Home Office residual costs as allowable under the FAR, DOE will consider a revision to the cap if sufficient justification is provided by Battelle. [M1163]
  - 3) Operational Support and Strategic Sourcing – In circumstances when there is a clear advantage to the Government for operational support to be sourced from Battelle Home Office\* in a project or non-project (i.e., overhead) capacity or when Battelle Pacific Northwest Division performs non-project work for Battelle home office, whereas, the cost is charged to an indirect account that is allocated over a base to include Battelle Pacific Northwest Division will be deemed allowable to the extent the costs are in accordance with FAR Part 31.2, DEAR 970.3102 and Cost Accounting Standards under this Contract. Additionally, the following measures shall be taken for the described costs:
    - a) Allocation of cost from Battelle Home Office for corporate provided services, such as contractor assurance, Laboratory Operations, insurance, risk management, payroll, benefits, taxes, corporate leases essential for the Contractor to operate PNNL. The Contractor will submit an annual true-up of these costs by July 31 of the following fiscal year.
    - b) Costs for Battelle Home Office provided software licenses, subscriptions, and memberships that are a part of the corporate allocations only require notification to DOE five (5) days prior to the expenditure of funds, to the extent practicable.
    - c) Costs of work performed by Battelle Home Office that are charged to a Battelle Pacific Northwest Division overhead account, such as logistics support, benefit claims, essential for the Contractor to operate PNNL. DOE notification is required five (5) days prior to the start of work to and/or to the expenditure of funds, to the extent practicable;

- d) Costs for work performed by Battelle Home Office that are directly charged to projects, such as project Inter-Laboratory Agreements (ILA). DOE notification is required five (5) days prior to the start of work to the extent practicable and/or prior to the expenditure of funds, to the extent practicable;
- e) Costs for work performed by Battelle Pacific Northwest Division for Battelle Home Office that are charged to a home office indirect account, such as labor costs of support staff and facility maintenance on Battelle-owned facilities. DOE notification is required five (5) days prior to the start of work and/or prior to the expenditure of funds, to the extent practicable.

*\* For Clause H-21(3) ONLY, Battelle Home Office shall be defined as any Battelle segment, division, home office, subsidiary, or affiliate other than Battelle Pacific Northwest division.*

**[M1163]**

6. Delete in its entirety Part III, Section J - List of Attachments - Table of Contents and replace with Part III, Section J - List of Attachments - Table of Contents enclosed and is incorporated herein by reference.
7. Delete in its entirety Part III, Section J, Appendix C - Subcontracting Plan for Socioeconomic Programs - Pacific Northwest National Laboratory Subcontracting Plan Fiscal Year 2017 and replace with Appendix C - Subcontracting Plan for Socioeconomic Programs - Pacific Northwest National Laboratory Subcontracting Plan Fiscal Year 2018 that is attached hereto and is hereby incorporated by reference.
8. Revise Part III, Section J, Appendix D, List of Applicable DOE Directives & External Requirements as follows:

Delete: CRD O 471.5 Special Access Programs

Replace: CRD O 470.6 Technical Security Program  
CRD O 473.3A Protection Program Operations

Replace With: CRD O 470.6, Chg. 1 Technical Security Program  
CRD O 473.3A, Ch. 1 (MinChg) Protection Program Operations

Remove the footnote designation, “\*”, and delete the associated footnote in its entirety for CRD 435.1, Chg. 1 Radioactive Waste Management.

Update footnote designation, “\*\*\*”, and associated footnote designation for CRD O 458.1, Chg. 3 Radiation Protection of the Public and the Environment with footnote designation of “\*\*\*”.

9. This modification results in no further changes to the Contract.

**(End of Contract Modification)**  
**[M1163]**