

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT			1. CONTRACT ID CODE	PAGE OF PAGES 1 3	
2. AMENDMENT/MODIFICATION NO. M456	3. EFFECTIVE DATE See Block 16C	4. REQUISITION/PURCHASE REQ. NO.	5. PROJECT NO. (If applicable)		
6. ISSUED BY U. S. Department of Energy Pacific Northwest Site Office Post Office Box 350 Richland, Washington 99352	CODE	7. ADMINISTERED BY (If other than Item 6)	CODE		
8. NAME AND ADDRESS OF CONTRACTOR (No. street, county, State and ZIP Code) Battelle Memorial Institute Pacific Northwest Division Richland, Benton County, Washington 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. DE-AC05-76RL01830 <input checked="" type="checkbox"/> 10B. DATED (SEE ITEM 13) 12/30/64			
CODE	FACILITY CODE				

11. THIS ITEM APPLIES TO AMENDMENTS OF SOLICITATIONS

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

12. ACCOUNTING AND APPROPRIATION DATA (If required)

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

CHECK ONE	A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT/ORDER NO. IN ITEM 10A.
<input type="checkbox"/>	B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b).
<input type="checkbox"/>	C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:
<input checked="" type="checkbox"/>	D. OTHER (Specify type of modification and authority) Bilateral Modification pursuant to the mutual agreement of both parties; H-18.
E. IMPORTANT: Contractor <input type="checkbox"/> is not, <input checked="" type="checkbox"/> is required to sign this document and return <u>2</u> copies to the issuing office.	

14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)
This modification is being issued to modify/update Sections J, Appendix C as follows:

Update Appendix C, Subcontracting Plan for Socioeconomic Programs to include FY 2007 goals and dollar amounts, update Section G, Clause G-1.

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

15A. NAME AND TITLE OF SIGNER (Type or print) Karen L. Hoewing, General Counsel		16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print) Ryan M. Kilbury, Contract Specialist	
15B. CONTRACT/OFFEROR BY <u>Karen L. Hoewing</u> (Signature of person authorized to sign)	15C. DATE SIGNED 1-10-07	16B. UNITED STATES OF AMERICA BY <u>Ryan M. Kilbury</u> (Signature of Contracting Officer)	16C. DATE SIGNED 1-16-07

Part I – The Schedule

Section G

Contract Administration Data

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G-1 Head of Contracting Activity (HCA), Contracting Officer (CO), Administrative Contracting Officer (ACO), and Contracting Officer's Representative (COR)

- (a) The Chief Operating Officer, DOE Office of Science, has been designated as the HCA for this Contract.
- (b) Correspondence for the Pacific Northwest Site Office Contracting Officer is:

Contracting Officer
Pacific Northwest Site Office
U.S. Department of Energy
P.O. Box 350, K9-42
Richland, WA 99352

When necessary, other DOE COs may act within the authority delegated to them to facilitate administration of this Contract.

- (c) The COR(s) for this Contract have been designated, in writing, in accordance with paragraph (b) of the clause entitled "Technical Direction" and are listed below:

Name & Position	Authorities
Julie K. Erickson, Deputy Manager Pacific Northwest Site Office	Unlimited authority to act for the Contracting Officer for functions that do not involve a change in the scope, price, terms, or conditions of the Contract.
Debbie E. Trader, Director Programs Division	Unlimited authority to act for the Contracting Officer for functions within the scope of the PNSO Programs Division that do not involve a change in the scope, price, terms, or conditions of the Contract.
Roger F. Christensen, Director Operations Division	Unlimited authority to act for the Contracting Officer for functions within the scope of the PNSO Operations Division that do not involve a change in the scope, price, terms, or conditions of the Contract.
Lynnette R. Downing, Work for Others Coordinator	Unlimited authority to act for the Contracting Officer for Work for Others functions that do not involve a change in the scope, price, terms, or conditions of the Contract.
Dationa O. Carter, Attorney- Advisor, Oak Ridge Office of General Counsel	Unlimited authority to act for the Contracting Officer for Litigation Management and Legal Policy functions that do not involve a change in the scope,

	price, terms, or conditions of the Contract.
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(End of Clause)

G-2 952.242-70 Technical Direction (DEC 2000)

- (a) Performance of this work under this Contract shall be subject to the technical direction of the Contracting Officer's Representative (COR). The term "technical direction" is defined to include, without limitation:
 - (1) Providing direction to the Contractor that redirects Contract effort, shift work emphasis between work areas or tasks, require pursuit of certain lines of inquiry, fill in details, or otherwise serve to accomplish the contractual Statement of Work.
 - (2) Providing written information to the Contractor that assists in interpreting drawings, specifications, or technical portions of the work description.
 - (3) Reviewing and, where required by the Contract, approving, technical reports, drawings, specifications, and technical information to be delivered by the Contractor to the Government.
- (b) The Contractor will receive a copy of the written COR designation from the Contracting Officer. It will specify the extent of the COR's authority to act on behalf of the Contracting Officer.
- (c) Technical direction must be within the scope of the work stated in the Contract. The COR does not have the authority to, and may not, issue any technical direction that:
 - (1) Constitutes an assignment of additional work outside the Statement of Work;
 - (2) Constitutes a change as defined in the Contract clause entitled "Changes;"
 - (3) In any manner causes an increase or decrease in the total estimated Contract cost, the fee (if any), or the time required for Contract performance;
 - (4) Changes any of the expressed terms, conditions or specifications of the Contract; or
 - (5) Interferes with the Contractor's right to perform the terms and conditions of the Contract.
- (d) All technical directions shall be issued in writing by the COR.

- (e) The Contractor must proceed promptly with the performance of technical direction duly issued by the COR in the manner prescribed by this clause and within its authority under the provisions of this clause. If, in the opinion of the Contractor, any instruction or direction by the COR falls within one of the categories defined in (c)(1) through (c)(5) of this clause, the Contractor must not proceed and must notify the Contracting Officer in writing within five (5) working days after receipt of any such instruction or direction and must request the Contracting Officer to modify the Contract accordingly. Upon receiving the notification from the Contractor, the Contracting Officer must:
- (1) Advise the Contractor in writing within thirty (30) days after receipt of the Contractor's letter that the technical direction is within the scope of the Contract effort and does not constitute a change under the Changes clause of the Contract;
 - (2) Advise the Contractor in writing within a reasonable time that the Government will issue a written change order; or
 - (3) Advise the Contractor in writing within a reasonable time not to proceed with the instruction or direction of the COR.
- (f) A failure of the Contractor and Contracting Officer either to agree that the technical direction is within the scope of the Contract or to agree upon the Contract action to be taken with respect to the technical direction will be subject to the provisions of the clause entitled "Disputes."

(End of Clause)

G-3 Correspondence Procedure

Acting as a representative of the DOE Office of Science, the Pacific Northwest Site Office (PNSO) has the overall lead responsibility for oversight and administration of the programs and activities conducted by the Laboratory. To promote timely and effective administration, correspondence, submitted under the Contract, shall contain a subject line commencing with the Contract number and shall be subject to the following procedures:

(a) **Technical Correspondence**

Technical correspondence shall be addressed to the DOE Program Manager, COR, or other duly authorized Government representative, with an information copy of the correspondence to the PNSO. For the purpose of this paragraph, technical correspondence does not include technical correspondence where patent issues are involved; correspondence which proposes or otherwise involves waivers, deviations, or modifications to the requirements, terms, or conditions, of this Contract; and correspondence associated with approval requirements of the Contracting Officer.

(b) Other Correspondence

Other than technical correspondence shall be addressed to the Contracting Officer with information copies of the correspondence to the PNSO and as appropriate to the DOE Program Manager, COR, or other authorized Government representatives.

(End of Clause)

G-4 Modification Authority

Notwithstanding any of the other provisions of this Contract, a Contracting Officer shall be the only individual on behalf of the Government authorized to:

- (a) Accept nonconforming work;
- (b) Waive any requirement of this Contract; or
- (c) Take any action involving a change in the scope, price, terms, or conditions of this Contract.

(End of Clause)

DE-AC05-76RL01830
Modification M456

**Part III – List of Documents,
Exhibits, And Other Attachments**

Section J

Appendix C

Subcontracting Plan for Socioeconomic Programs

**Pacific Northwest National Laboratory
Subcontracting Plan**

Socioeconomic Programs

Battelle's policy pledges a strong commitment to involving small and socioeconomically disadvantaged business concerns in the operation of the Pacific Northwest National Laboratory. Battelle supports the socioeconomic objectives of the U.S. Government and recognizes that diversity in subcontracting provides a vital link to the local community, strengthens the economy, and represents best business practices.

In keeping with the above policy, Battelle and the U.S. Department of Energy (DOE) have established the following Subcontracting Plan (this Plan). This Plan shall remain in effect from October 1, 2002, for the entire Contract period associated with this Contract extension. However, annual goals shall be negotiated and established by written agreement between the Contracting Officer and Battelle and shall be incorporated into this Plan by letter and will not require a Contract modification.

I. Goals

- A. Based on an estimated average annual fiscal year budget of \$710,000,000 and an adjusted procurement volume of \$260,000,000 Battelle's goals for Fiscal Year 2007 are to –
 1. Award 45.0 percent to Small Business concerns, estimated at \$117,000,000
 2. Award 8.0 percent to Small Disadvantaged Business concerns, estimated at \$20,800,000
 3. Award 6.0 percent to Women-Owned Small Business concerns, estimated at \$15,600,000
 4. Award 3.0 percent to HUBZone Small Business concerns, estimated at \$7,800,000
 5. Award 3.0 percent to Veteran-Owned Small Business concerns, estimated at \$3,900,000
 6. Award 1.5 percent to Service-Disabled Veteran-Owned Small Business concerns, estimated at \$7,800,000
- B. Goals must be realistic to present the proper challenge to staff who are ultimately responsible for goal achievement. The percentage goals in A. above, based on past performance and future projections, will present such a challenge.
- C. These goals are accumulated based on subcontracts and purchase orders placed and do not include other indirect costs. They will include all dollars awarded under Contract DE-AC05-76RL01830 with the exception of those dollars awarded to other Battelle Inter-laboratory Authorizations or to other Battelle-owned entities and to firms outside the U.S.A.
- D. The principal products and services to be obtained in support of this Plan are those generally associated with an extremely diverse research and development environment. The business concerns in this Plan will generally supply a major portion of the goods and services listed in Table A.

TABLE A

Subcontracted Effort	SB	SDB	8(a)	WOSB	HZ	VO	SDV
Electrical material and supplies	X	X	X	X	X	X	
Pumps, gauges and valves	X				X		
Computer equipment and supplies	X	X		X	X	X	X
Tooling	X						
Aluminum and other metals	X						
Laboratory supplies	X	X	X	X			
Reproduction supplies	X	X	X	X			
Office supplies	X	X	X	X			
Chemicals	X	X	X	X			
Tools of all types	X						
Electrical equipment and parts	X					X	
Construction services and materials	X	X	X	X		X	
Custodial equipment and supplies	X	X		X	X		
Fuels and lubricants	X					X	
Plastic products	X	X					
Industrial hardware	X	X	X		X		
Translating Services	X			X			
Technical support	X			X		X	

II. Battelle Subcontracting Plan Administrator

Battelle's Small Business Program Manager, Andrea Melius, is responsible to the Manager of Acquisition Services and will administer this Subcontracting Plan. Any change in the name of the Small Business Program Manager will be communicated without delay to the Contracting Officer. Responsibilities of the Small Business Program Manager include:

- Serve as Battelle's interface with small and socioeconomically-disadvantaged businesses.
- Maintain business directories from regional minority purchasing councils and other sources to expand and keep current listings of small and socioeconomically-disadvantaged businesses.
- Participate as Battelle representative in small business trade fairs, specifically directed toward offering opportunities for participants to do business with Battelle.
- Attend DOE-sponsored Small Business Program Manager Meetings and participate in the annual DOE Small Business Conference.
- Participate in trade associations, business development organizations, and conferences to locate and identify small and socioeconomically-disadvantaged business sources.
- Counsel and discuss subcontracting opportunities with potential small and socioeconomically-disadvantaged business firms and arrange appropriate assistance to these firms as required and practicable.

- Provide statistics to Battelle management on progress toward established goals and recognition of significant Contract Specialist performance in this area.
- Hold periodic training and other meetings with the appropriate acquisition staff on the Socioeconomic Programs.
- Conduct periodic meetings and otherwise communicate with Battelle organizational components covering Battelle's Socioeconomic Programs.
- Support Small Business Administration (SBA) activities as requested.

III. Administration of Battelle's Subcontracting Plan

Battelle staff is committed to offering a fair and equitable opportunity for small and socioeconomically disadvantaged business concerns, to compete for the goods and services required to support our ongoing research.

Battelle responds either verbally or in writing to each request received from firms that desire an opportunity to compete for purchase order/subcontract business.

A computerized listing of small and socioeconomically-disadvantaged business concerns is maintained by the Small Business Program Manager.

The Small Business Program Manager may participate in the screening of purchase requisitions and may add suggested small and socioeconomically-disadvantaged businesses as potential sources for Contracts Specialist consideration.

Staff members are encouraged to use the Small Business Dynamic Search database established and maintained by the SBA for locating small and socioeconomically-disadvantaged businesses.

Staff will post all written solicitations on PNNL's website to maximize exposure to small and socioeconomically-disadvantaged businesses.

When appropriate, procurements may be synopsisized in the Federal Business Opportunities (FedBizOpps) in an effort to locate additional qualified small and socioeconomically-disadvantaged business concerns for participation.

IV. Flow-Down Requirements to Battelle's Subcontractors

Each purchase order/subcontract action \$100,000 and above placed in furtherance of Prime Contract DE-AC05-76RLO1830 will include the clause: "Utilization of Small Business Concerns."

Lower-Tier Subcontracting Plans from large business concerns are each reviewed and approved by Battelle's Small Business Program Manager. Contact is established with the Lower-Tier Subcontractors Plan Administrator to offer assistance in identifying potential small and socioeconomically-disadvantaged sources and establish semi-annual reporting requirements.

Battelle's Procurement Policies Manual contains instructions to staff to include in all solicitations for negotiated procurements amounting to \$550,000, or more, and which will offer subcontracting opportunities, the requirement to develop and adopt a Small Business Subcontracting Plan as required by Battelle's operating contract.

V. Periodic Reporting and Cooperating with DOE and SBA

Battelle will submit such periodic reports, as may be required by DOE or the SBA, in order to determine the extent of compliance with this Subcontracting Plan.

Battelle will cooperate in any studies or surveys conducted by DOE or SBA, by furnishing requested available statistical data.

Battelle will electronically submit the Individual Subcontracting Report (ISR) and Summary Subcontract Report (SSR) in accordance with the instructions provided by DOE and the Electronic Subcontracting Reporting System. Further, Battelle will ensure that its subcontractors agree to electronically submit their ISR and SSR.

VI. Maintaining Records

Computerized reports are used to track progress toward achievement of goals. These reports are used to prepare monthly and quarterly reports (more frequent if requested) summarizing activity and progress related to compliance with the Subcontracting Plan.

In support of this Plan, Battelle will maintain the following records:

- Source lists (e.g., Dynamic Small Business Search, VetBiz Search, etc.), guides and other data that identify small and socioeconomically-disadvantaged business concerns
- Organizations contacted to locate small and socioeconomically-disadvantaged business concerns.
- Records on each subcontract solicitation resulting in an award of more than \$100,000, indicating whether small and socioeconomically-disadvantaged businesses were solicited and, if not, why not, and, if applicable, the reason award was not made to a small business concern.
- Records of any outreach efforts and contacts with trade associations, business development organizations, and conferences and trade fairs to locate small and socioeconomically-disadvantaged sources.
- Records of internal guidance and encouragement provided to buyers through (1) workshops, seminars, training, etc., and (2) monitoring performance to evaluate compliance with the program's requirements.
- On a contract-by-contract basis, records to support award data submitted by the offeror to Battelle, including the name, address, and business size of each subcontractor.

Plan Approval: _____ Date: _____
Contracting Officer