

**NATIONAL SECURITY SPACE LAUNCH (NSSL)
PHASE 3 LANE 2 LAUNCH SERVICE PROCUREMENT
FA8811-23-R-0002**

**ATTACHMENT 9
AWARD FEE PLAN**

dRFP #2: 13 July 2023

**United States Space Force
Space Systems Command (SSC)
Assured Access to Space (AATS)
Los Angeles Space Force Base, California**

Fee Determination Official

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1. INTRODUCTION

- a. This Award Fee Plan describes the process for the Space Systems Command/Assured Access to Space (SSC/AA) evaluation of the Contractor's performance and the basis for presenting an assessment of that performance to the Fee Determination Official (FDO). The specific criteria used to assess Contractor performance and to determine the amount of award fee earned are described herein. Award fee deals with those areas under the control of the Contractor that are susceptible to qualitative and subjective evaluation.
- b. The principal goal of the Award Fee Plan is to provide an incentive for the Contractor to exceed performance criteria in the following categories: support to Government mission assurance, support to fleet surveillance, and responsiveness to Government need.
- c. The award fee earned and payable under this plan is determined by the FDO based upon review of the Contractor's performance against the criteria established in Annex 2. The Contractor begins each evaluation period with the potential to earn 100% of the available award fee (see Table 1: Evaluation Periods with Available Award Fee). The award fee amount earned is based upon the FDO rating of the Contractor's overall performance during the evaluation period. The earned amount is provided to the Contractor through contract modifications. The methodology for determining Award Fee is a unilateral decision made solely at the discretion of the Government.

2. ORGANIZATIONAL RESPONSIBILITIES

- a. The award fee organization is comprised of: an FDO, the Award Fee Review Board (AFRB) with a chairperson and other membership approved by the FDO, a Procuring Contracting Officer (PCO), a recorder, and Performance Monitors. The members of this AFRB and the performance monitors are identified in Annex 1 by their title and position in order to eliminate administrative changes to the plan when an individual member changes.
- b. Fee Determination Official: The Program Executive Officer for Assured Access to Space (AATS) will serve as the FDO. The FDO approves the Award Fee Plan, reviews the AFRB recommendation, considers the contractor self-assessment report and other pertinent data, and unilaterally determines the amount of award fee earned and payable to the Contractor for each evaluation period.
- c. Award Fee Review Board: The Program Manager, National Security Space Launch (NSSL) will serve as the AFRB Chairperson. AFRB members review the Performance Monitors' evaluation of the Contractor's performance, review the contractor self-assessment report, other pertinent data and provide briefings as required, and recommend changes to this plan as necessary. Upon consideration of all information obtained from pertinent sources, the AFRB will arrive at a fee recommendation to be presented to the FDO by the AFRB Chairperson.
- d. Procuring Contracting Officer: The PCO is the liaison between the Contractor and Government personnel. The PCO transmits the FDO's award fee determination letter to the Contractor, prepares and distributes the modification awarding the fee authorized by the

FDO after the FDO decision, and maintains appropriate award fee documentation as part of the official contract file.

- e. Performance Monitors: Performance Monitors will continually monitor and maintain written records of the Contractor's performance in their assigned evaluation area(s) so that a fair and accurate evaluation is obtained. Performance Monitors shall prepare end-of-period evaluation reports. Performance Monitors shall not be members of the AFRB.
- f. Recorder: The AFRB recorder is responsible for coordinating the administrative actions of the Performance Monitors, AFRB, and FDO and accomplishing other actions as required ensuring the smooth operation of the award fee process.

3. AWARD FEE PROCESS

- a. The AFRB will convene at the time, date, and place established by the Chairperson, and will consider information submitted by the following sources to make an award fee recommendation to the FDO:
 - 1) Evaluations submitted by designated Performance Monitors.
 - i. The Performance Monitor shall share the evaluation with the Contractor 25 days prior to the established AFRB date.
 - ii. The Contractor may submit a written response to the Performance Monitors end-of-period evaluation reports within 15 days of receipt. The Contractor's written response shall not exceed ten (10) pages.
 - 2) Assessments or inputs from other sources (e.g., NRO, DCMA, DCAA, GAO, IG and users) as considered appropriate by the AFRB.
 - i. The Performance Monitor shall share the assessments or inputs from other sources with the Contractor 25 days prior to the established AFRB date.
 - ii. The Contractor may submit a written response to the other sources end-of-period evaluation reports within 15 days of receipt. The Contractor's written response shall not exceed five (5) pages.
 - 3) Optional written contractor self-assessment of performance may be submitted to the AFRB Chairperson through the PCO for each end-of-period evaluation period under consideration. Self-assessments shall be no more than ten (10) pages in length and shall be submitted no later than ten (10) working days following the close of an evaluation period.
- b. The Contractor will not be present during the deliberations or voting, as the AFRB is not a forum for arbitration. The participation by contractor personnel is limited to providing data and/or answering questions from AFRB members.
- c. The AFRB members, after receiving the presentations of the Performance Monitors' evaluation and point score recommendations and reviewing all available information as

appropriate, shall individually vote on each evaluation area by signed ballot (each member shall have only one vote).

- d. The AFRB will brief the FDO on the AFRB's recommendations of the award fee amount to be paid to the Contractor and any recommended significant changes to the Award Fee Plan.
- e. After the FDO decides an overall rating and the award fee amount for the evaluation period, an FDO determination letter will be sent to the Contractor within forty-five (45) calendar days after the end of the evaluation period. The determination letter will inform the Contractor of the earned award fee amount and the major strengths and weaknesses of the Contractor for that evaluation period. When the FDO's determination differs from the AFRB recommendation, the FDO must provide written justification/rationale explaining why the difference and the justification/rationale shall become a part of the official contract file.
- f. After the FDO determination letter is sent to the Contractor, the PCO will unilaterally modify the Task Order to award the fee for the earned amount. Contractor receipt of the Task Order will constitute formal notification of the amount of award fee earned as determined by the FDO.

4. FEE ALLOCATIONS BY EVALUATION PERIOD

The award fee earned by the Contractor will be determined at the completion of the evaluation periods shown below. The percentage and dollars shown corresponding to each period is the maximum amount that can be earned during that particular period.

Table 1: Evaluation Periods with Available Award Fee

Evaluation Period	Timeframe	Available Award Fee
1	Contract Award + 1 year	\$20,000,000
2	Year 1 End + 1 year	\$20,000,000
3	Year 2 End + 1 year	\$20,000,000
4	Year 3 End + 1 year	\$20,000,000
5	Year 4 End + 1 year	\$20,000,000
*6	Year 5 End + 1 year	\$20,000,000
*7	Year 6 End + 1 year	\$20,000,000
*8	Year 7 End + 1 year	\$10,000,000

**These years are included to capture the fly-out period of launch services and may not be funded if future contracts include this scope.*

5. AREAS OF EVALUATION

- a. The Contractor will be evaluated using the Areas of Evaluation contained in Annex 2 and additional Areas of Evaluation, as proposed in paragraph 5.b. below, tailored to events specific to one or more award fee periods. The Areas of Evaluation and their corresponding percentage weightings are:

Category 1: Support to Government Mission Assurance	60%
Category 2: Support to Fleet Surveillance	25%
<u>Category 3: Responsiveness to Government Need</u>	<u>15%</u>
Total: 100%	

- b. If the PCO does not give specific notice in writing to the Contractor of any change to the Areas of Evaluation prior to the start of a new evaluation period, then the same standards for the preceding period will be used in the new award fee evaluation period. However, subsequent Areas of Evaluation may require greater or lesser emphasis and other Areas of Evaluation may surface as the effort becomes clearer or as emphasis shifts. Prior to the beginning of any period, the Contractor may provide Award Fee Plan inputs for the upcoming period. Any changes to the Areas of Evaluation or the corresponding percentage weightings will be unilaterally made by the PCO, with written notice to the Contractor prior to the start of the evaluation period. Subsequent to the start of an evaluation period, changes may only be made by mutual agreement of both parties.
- c. Except as set forth in paragraph 5.d. below, the Contractor will earn award fee by achieving a level of effectiveness in accordance with the Areas of Evaluation set forth in Annex 2. The Contractor's effort in a particular area shall receive a recommended point score from the Performance Monitor for that area. The individual area point scores are weighted (per paragraph 5.a. above) and then summed to get a Total (aggregated) performance point score. See Annex 3 for a sample computation. If the Contractor's "overall performance" (Total Weighted Point Score in Annex 3) is rated 49 or below, the Contractor shall receive zero award fee dollars (\$0) for the award fee period and will be rated "Unsatisfactory". Otherwise, the earned award fee amount is a linear point-to-percentage conversion of overall (Total) performance at or above 50% as per Table 2 below. The award point score will be rounded to the nearest whole number using standard rounding rules (e.g., 4.5 rounds up to 5 and 4.4 rounds down to 4).
- d. If in any award fee period a launch service is deemed a Mission Failure as defined per Attachment 5, Acceptance Criteria, only half of the award fee earned will be paid. If multiple launch services are deemed Mission Failures, no award fee amount will be paid. This is to ensure Category 1: Support to Government Mission Assurance, is the Contractor's highest priority. Any Mission Failure during the award fee period demonstrates a clear lack of support to Government mission assurance and therefore shall automatically disqualify the Contractor from receiving half of the earned award fee. This 50% deduction will take place after the ARFB has met and the earned award fee score has

been determined.

Table 2: Award Fee Adjectival Rating and Corresponding Award Fee Earned

Rating Description	Point Score	AFRB Corresponding Percent (%) of Award Fee Earned
Excellent	91-100	91-100%
Very Good	76-90	76-90%
Good	51-75	51-75%
Satisfactory	50	50%
Unsatisfactory	<50	0%

6. INTERIM FEEDBACK

Interim Feedback shall be conducted annually at the midway point of the evaluation. Every effort will be made to provide routine feedback to the Contractor addressing the Contractor's overall performance. The AFRB Chairperson may issue letters at any time when it is deemed necessary to highlight areas of Government concern or commendation. The Government will issue letters of concern that may influence Award Fee determinations within 30 calendar days of when the Government becomes aware of the concern. For letters issued with concerns, the Contractor is required to provide a written response within 30 days. The response should set forth plans for increasing effectiveness in the areas addressed or explain why it is not feasible to do so.

7. AWARD FEE INTEGRITY

Although the award fee process is recognized to be subjective in nature, every effort will be made to ensure reasonableness and fairness. The written records of performance provide the checks and balances necessary to ensure award fee integrity.

8. AWARD FEE PLAN CHANGE PROCEDURE

All significant changes to the Award Fee Plan are approved by the FDO; the AFRB Chairperson approves other changes. Examples of significant changes include changing Areas of Evaluation, adjusting weights to redirect the Contractor's emphasis to areas needing improvement, changing AFRB membership, and revising the distribution of the award fee dollars. After approval by the FDO or AFRB Chairperson, the PCO shall notify the Contractor in writing of any change(s). Unilateral changes may be made to the Award Fee Plan if the Contractor is provided written notification by the PCO before the start of the upcoming evaluation period. Changes affecting the current evaluation period must be by bilateral agreement.

9. TERMINATION FOR CONVENIENCE

In the event of termination of this contract for convenience, the award fee period, in which termination occurs, shall end, and the award fee process shall be implemented as if the period had been completed. The Government will evaluate the Contractor's performance for the period in which the termination occurs, and the amount of award fee will be prorated, based upon the amount of work completed as determined by the PCO. The determination of the earned award

fee and the amount of work completed are subject to the Contract Disputes. In the event of a termination for default, the award fee is payable only to the extent earned through the last period prior to termination.

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ANNEX 1: AWARD FEE REVIEW BOARD MEMBERSHIP

1. Program Manager, NSSL (Chairperson) (SSC/AA)
2. Director, Office of Space Launch (NRO/OSL)
3. Chief of the Contracting Office, Assured Access to Space (SSC/AAK)
4. Division Chief, Cognizant Launch Service Provider (SSC/AAL representative)

Advisors: Non-Voting Members

1. AFRB Recorder
2. Other SSC/AA and NRO/OSL Division Chiefs
3. Program Legal Counsel
4. Contracting Officer, Cognizant Launch Service Provider (SSC/AAK)
5. Chief Engineer, Assured Access to Space (SSC/AAE)
6. Senior Representative, Space Launch Delta 30 (SLD 30) (VSFB)
7. Senior Representative, SLD 45 (CCSFS)
8. Commander, Cognizant Defense Contract Management Agency (DCMA)

Performance Monitors

Performance Monitor	Category
Contracting Officer Representative (COR) for Launch Service Support CLIN	Support to Government Mission Assurance
COR for Fleet Surveillance CLIN	Support to Fleet Surveillance
Branch Chief (Cognizant Launch Service Provider)	Responsiveness to Government Need

ANNEX 2: AREAS OF EVALUATION

SUPPORT TO GOVERNMENT MISSION ASSURANCE		
Meets Expectations 0-49 points	Exceeds Expectations 50 to 90 points	Greatly Exceeds Expectations 91 to 100 points
<ul style="list-style-type: none"> ▪ Maintains an effective team relationship with the Government Mission Assurance team ▪ Meets Mission Assurance requirements and ensures delivery of quality products and services ▪ Provides timely notification to the Government for any significant Mission Assurance issue ▪ Responds to government inquiries in timely and complete manner ▪ Conducts all contractually required meetings, reviews, etc. in an organized and comprehensive manner ▪ Provides timely updates on outstanding issues and risk items ▪ Maintains and complies with current approved policies, practices, and procedures ▪ Identifies, tracks, and provides updates on key risks ▪ Supports execution of Mission Assurance processes IAW PWS ▪ Integrated Data Environment (IDE) has high mean time between failure (MTBF) and low mean time to repair (MTTR) ▪ Establishes and maintains a collaborative approach to support 	<p><u>Meets all “Meets Expectations” requirements plus the following:</u></p> <ul style="list-style-type: none"> ▪ Establishes an efficient battle rhythm with the Government, FFRDC and support contractors. ▪ Identifies and executes efficiencies for mission assurance activities in partnership with mission stakeholders ▪ Holds special meetings, reviews, etc. to address specific issue areas ▪ Provides continuous updates on issues and risk items ▪ Submits improvement recommendations for existing policies, practices, and procedures with analysis and rationale ▪ IDE has very high MTBF and low MTTR ▪ Proactively develops proposed plans for Gap Closure Action resolution. ▪ Executes agreed upon JWPs for EMA Gap Closure Actions resulting in benefit to USG. ▪ Proactively provides proposed areas of focus for discussion and planning regarding other Transformative Mission Assurance (TMA) initiatives. ▪ Executes agreed upon TMA-related plans 	<p><u>Meets all “Meets Expectations and “Exceeds Expectations” requirements plus the following:</u></p> <ul style="list-style-type: none"> ▪ Proactively engages the Government, FFRDC, and support contractors to resolve Mission Assurance issues ▪ Exceeds Mission Assurance data requirements and delivers exceptional quality products and services ▪ Proactively engages the Government, FFRDC and support contractors, with actionable recommendations to enhance agility in mission assurance activities ▪ Anticipates Government, FFRDC, and support contractors’ requests for information and analysis ▪ IDE has very high MTBF & very low MTTR ▪ Proactively identifies mutually beneficial opportunities for reduction of USG Independent Mission Assurance in support of recurring EMA-required TIMS. ▪ Executes agreed upon JWPs for EMA Gap Closure Actions resulting in significant benefit to USG. ▪ Executes agreed upon Transformative Mission

<p>Engrained Mission Assurance (EMA)-required Gap Closure Action Technical Interchange Meetings (TIMs) and resulting Joint Work Plans (JWPs) or other actions.</p> <ul style="list-style-type: none"> ▪ Establishes and maintains a collaborative approach to support NSSL Transformative Mission Assurance (TMA) TIMs and resulting actions 	<p>resulting in benefit to USG.</p>	<p>Assurance (TMA)-related plans resulting in significant benefit to USG.</p>
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Doesn't Meet Expectations - Contractor fails to meet criteria for "Meets Expectations" performance.

ANNEX 2: AREAS OF EVALUATION (Cont.)

SUPPORT TO FLEET SURVEILLANCE		
Meets Expectations 0 to 49 points	Exceeds Expectations 50 to 90 points	Greatly Exceeds Expectations 91 to 100 points
<ul style="list-style-type: none"> ▪ Maintains an effective team relationship with the Government, Fleet Surveillance team ▪ Meets Fleet Surveillance requirements and ensures delivery of quality products and services ▪ Provides timely notification to the Government for any significant Fleet Surveillance issue ▪ Responds to government inquiries in timely and complete manner ▪ Provides timely updates on outstanding issues and risk items ▪ Maintains and complies with current approved policies, practices, and procedures ▪ Identifies, tracks, and provides updates on key fleet risks ▪ Supports execution of Fleet Surveillance processes IAW the PWS 	<p><u>Meets all “Meets Expectations” requirements plus the following:</u></p> <ul style="list-style-type: none"> ▪ Establishes an efficient battle rhythm with government, FFRDC, and support contractors ▪ Identifies and executes efficiencies in partnership with mission stakeholders such as launch operations, subcontractors, etc. ▪ Identifies and executes efficiencies for Fleet Surveillance activities in partnership with mission stakeholders ▪ Holds special meetings, reviews, etc. to address specific fleet issue areas ▪ Provides continuous updates on fleet issues and risk items ▪ Submits improvement recommendations for existing policies, practices, and procedures with analysis and rationale 	<p><u>Meets all “Meets Expectations and “Exceeds Expectations” requirements plus the following:</u></p> <ul style="list-style-type: none"> ▪ Proactively engages the Government, FFRDC, and support contractors to resolve Fleet Surveillance issues ▪ Exceeds Fleet Surveillance requirements and delivers exceptional quality products and services ▪ Anticipates Government, FFRDC, and support contractors’ requests for information and analysis

Doesn’t Meet Expectations - Contractor fails to meet criteria for “Meets Expectations” performance.

ANNEX 2: AREAS OF EVALUATION (Cont.)

RESPONSIVENESS TO GOVERNMENT NEED		
Meets Expectations	Exceeds Expectations	Greatly Exceeds Expectations
0 to 49 points	50 to 90 points	91 to 100 points
<ul style="list-style-type: none"> ▪ Maintains an effective team relationship with the Government, FFRDC, and support contractors ▪ Meets PWS requirements and ensures delivery of quality products and services ▪ Provides timely notification to the Government for any significant management issue ▪ Responds to government inquiries in timely and complete manner ▪ Conducts all contractually required meetings, reviews, etc. in an organized and comprehensive manner ▪ Provides timely updates on outstanding issues and risk items ▪ Maintains and complies with current approved policies, practices, and procedures ▪ Identifies, tracks, and provides updates on key risks ▪ Supports execution of the contract IAW the PWS 	<p><u>Meets all “Meets Expectations” requirements plus the following:</u></p> <ul style="list-style-type: none"> ▪ Establishes an efficient battle rhythm with government, FFRDC, and support contractors ▪ Identifies and executes efficiencies in partnership with mission stakeholders such as satellite SPO, launch operations, subcontractors, etc. ▪ Identifies and executes efficiencies for program activities in partnership with mission stakeholders ▪ Holds special meetings, reviews, etc. to address specific issue areas ▪ Provides continuous updates on issues and risk items ▪ Submits improvement recommendations for existing policies, practices, and procedures with analysis and rationale 	<p><u>Meets all “Meets Expectations and “Exceeds Expectations” requirements plus the following:</u></p> <ul style="list-style-type: none"> ▪ Proactively engages the Government, FFRDC, and support contractors to resolve issues ▪ Exceeds PWS requirements and delivers exceptional quality products and services ▪ Anticipates Government, FFRDC, and support contractors’ requests for information and analysis

Doesn’t Meet Expectations - Contractor fails to meet criteria for “Meets Expectations” performance.

ANNEX 3: SAMPLE COMPUTATION OF AWARD FEE EARNED

Performance Categories	Category Weight	Monitor's Rating	Assigned Point Score	Rating Description	Weighted Point Score	Amount
(column 1)	(column 2)	(column 3)	(column 4)	(column 5)	(column 6)	(column 7)
Support to Government Mission Assurance	60%	Exceeds Expectations	80	Very Good	48	N/A
Support to Fleet Surveillance	25%	Exceeds Expectations	65	Good	16.25	N/A
Responsiveness to Government Need	15%	Greatly Exceeds Expectations	95	Excellent	14.25	N/A
TOTAL	100%			Very Good	78.5	N/A
				Award Fee Earned	Round to whole number: 79	\$15,800,000

The steps to calculate the overall Award Fee Percentage Earned are outlined below:

Step 1: Multiply each Performance Category's Weight (column 2) by the corresponding Assigned Point Score (column 4) to get the Weighted Point Score (column 6).

Step 2: Sum the Weighted Point Scores (column 6) to get the Total Point Score.

Step 3: The award fee amount is a linear point-to-percentage conversion of overall (Total) performance above 50%. If the Total Weighted Point Score is 49 or less, then overall contractor performance for that particular evaluation period is deemed unsatisfactory, and no award fee is awarded. In the above example, the contractor is awarded 78.5% of the total Available Award Fee Pool of Evaluation Period 1 of \$20,000,000. ($79\% \times \$20,000,000 = \$15,800,000$).

Step 4: Multiply the amount earned by 50% if there is one Mission Failure in the award fee period or by 0% if there are multiple failures in the award fee period.