

970.1504-1-6 Calculating fixed fee.

(a) In recognition of the complexities of the fee determination process, and to assist in promoting a reasonable degree of consistency and uniformity in its application, the following fee schedules set forth the maximum amounts of fee that contracting activities are allowed to award for a particular fixed fee transaction calculated annually.

(b) Fee schedules representing the maximum allowable annual fixed fee available under management and operating contracts have been established for the following management and operating contract efforts -

- (1) Production;
- (2) Research and Development; and
- (3) Environmental Management.

(c) The schedules are:

PRODUCTION EFFORTS

| Fee base (dollars) | Fee (dollars) | Fee (percent) | Incr. (percent) |
|---------------------------|----------------------|----------------------|------------------------|
| Up to \$1 Million | | | 7.66 |
| 1,000,000 | \$76,580 | 7.66 | 6.78 |
| 3,000,000 | 212,236 | 7.07 | 6.07 |
| 5,000,000 | 333,670 | 6.67 | 4.90 |
| 10,000,000 | 578,726 | 5.79 | 4.24 |
| 15,000,000 | 790,962 | 5.27 | 3.71 |
| 25,000,000 | 1,161,828 | 4.65 | 3.35 |
| 40,000,000 | 1,663,974 | 4.16 | 2.92 |
| 60,000,000 | 2,247,076 | 3.75 | 2.57 |
| 80,000,000 | 2,761,256 | 3.45 | 2.34 |

| Fee base (dollars) | Fee (dollars) | Fee (percent) | Incr. (percent) |
|---------------------------|----------------------|----------------------|------------------------|
| 100,000,000 | 3,229,488 | 3.23 | 1.45 |
| 150,000,000 | 3,952,622 | 2.64 | 1.12 |
| 200,000,000 | 4,510,562 | 2.26 | 0.61 |
| 300,000,000 | 5,117,732 | 1.71 | 0.53 |
| 400,000,000 | 5,647,228 | 1.41 | 0.45 |
| 500,000,000 | 6,097,956 | 1.22 | |
| Over \$500 Million | 6,097,956 | | 0.45 |

RESEARCH AND DEVELOPMENT EFFORTS

| Fee base (dollars) | Fee (dollars) | Fee (percent) | Incr. (percent) |
|---------------------------|----------------------|----------------------|------------------------|
| Up to \$1 Million | | | 8.42 |
| 1,000,000 | 84,238 | 8.42 | 7.00 |
| 3,000,000 | 224,270 | 7.48 | 6.84 |
| 5,000,000 | 361,020 | 7.22 | 6.21 |
| 10,000,000 | 671,716 | 6.72 | 5.71 |
| 15,000,000 | 957,250 | 6.38 | 4.85 |
| 25,000,000 | 1,441,892 | 5.77 | 4.22 |
| 40,000,000 | 2,075,318 | 5.19 | 3.69 |
| 60,000,000 | 2,813,768 | 4.69 | 3.27 |
| 80,000,000 | 3,467,980 | 4.33 | 2.69 |

| Fee base (dollars) | Fee (dollars) | Fee (percent) | Incr. (percent) |
|---------------------------|----------------------|----------------------|------------------------|
| 100,000,000 | 4,006,228 | 4.01 | 1.69 |
| 150,000,000 | 4,850,796 | 3.23 | 1.14 |
| 200,000,000 | 5,420,770 | 2.71 | 0.66 |
| 300,000,000 | 6,083,734 | 2.03 | 0.58 |
| 400,000,000 | 6,667,930 | 1.67 | 0.50 |
| 500,000,000 | 7,172,264 | 1.43 | |
| Over \$500 Million | 7,172,264 | | 0.50 |

ENVIRONMENTAL MANAGEMENT EFFORTS

| Fee base (dollars) | Fee (dollars) | Fee (percent) | Incr. (percent) |
|---------------------------|----------------------|----------------------|------------------------|
| Up to \$1 Million | | | 7.33 |
| \$1,000,000 | 73,298 | 7.33 | 6.49 |
| 3,000,000 | 203,120 | 6.77 | 5.95 |
| 5,000,000 | 322,118 | 6.44 | 5.40 |
| 10,000,000 | 592,348 | 5.92 | 4.83 |
| 15,000,000 | 833,654 | 5.56 | 4.03 |
| 25,000,000 | 1,236,340 | 4.95 | 3.44 |
| 40,000,000 | 1,752,960 | 4.38 | 3.29 |
| 60,000,000 | 2,411,890 | 4.02 | 3.10 |
| 80,000,000 | 3,032,844 | 3.79 | 2.49 |

| Fee base (dollars) | Fee (dollars) | Fee (percent) | Incr. (percent) |
|---------------------------|----------------------|----------------------|------------------------|
| 100,000,000 | 3,530,679 | 3.53 | 1.90 |
| 150,000,000 | 4,479,366 | 2.99 | 1.48 |
| 200,000,000 | 5,219,924 | 2.61 | 1.12 |
| 300,000,000 | 6,337,250 | 2.11 | 0.88 |
| 400,000,000 | 7,219,046 | 1.80 | 0.75 |
| 500,000,000 | 7,972,396 | 1.59 | 0.58 |
| 750,000,000 | 9,423,463 | 1.26 | 0.55 |
| 1,000,000,000 | 10,786,788 | 1.08 | |
| Over \$1.0 billion | 10,786,788 | | 0.55 |

Parent topic: Subpart 970.15 - Contracting by Negotiation