



October 6, 2017

Mr. Robert P. Gordon, Contracting Officer
 Acting Director
 Business Management Division
 U.S. Department of Energy
 Brookhaven Site Office
 Building 464
 Upton, NY 11973

SUBJECT: BSA's Performance Commitment for Fiscal Year ("FY") 2017 Relative to the Accepted Commitments for FY 2015 – FY 2025

Dear Mr. Gordon:

Brookhaven Science Associates, LLC ("BSA"), in its capacity as manager and operator of Brookhaven National Laboratory ("BNL"), has proposed, and the Department of Energy ("DOE") has accepted, over \$118M in commitments over the next decade from external sources to support our vision for BNL.

Contract No. DE-SC0012704 Section J - Appendix B (the "Contract") required an annual performance plan by BSA that provided the DOE an objective measurement of BSA's Commitments that advance the Laboratory mission, as stated in PEMP 4.3. The FY 2017 PEMP Notable Outcome for Objective 4.3 states:

"Submit a plan for delivery of the FY 2017 Appendix D Prime Contract Commitments no later than December 31, 2016. Meet the milestones established in the plan by September 30, 2017."

The table below reflects the cumulative commitment dollars delivered in prior years, the FY17 commitment plan, FY17 actual delivered and the estimated value of commitments over the decade. Since the award of Contract, the amounts attributable to specific items have been refined. Notwithstanding, the total Commitments remain firm. In addition, following the table, I have laid out the progress for actions associated with New York State funding as of the end of FY17 under the "Action Plan/Milestones" section below.

Source/Commitment	Alignment with BSA's Critical Outcomes or Other Initiatives	Delivery Timeframe	Prior Year Cumulative Total	FY17 Commitment Plan *(See Action Plan / Milestones)	FY17 Actual Delivered	Estimated Total Value (millions)
New York State						
High-Energy X-ray Beamline at NSLS-II	Transformation of synchrotron science; in	2015–2020				\$25M

Source/Commitment	Alignment with BSA's Critical Outcomes or Other Initiatives	Delivery Timeframe	Prior Year Cumulative Total	FY17 Commitment Plan *(See Action Plan / Milestones)	FY17 Actual Delivered	Estimated Total Value (millions)
	operando/in situ energy science					
Energy Recovery Linac (ERL)	Origins of matter and mass	2015–2020				\$25M
Establish Big Data Consortium–Center for Data-Driven Discovery (CD3)	Data-driven discovery	2015–2020				\$15M
	NYS Total		N/A	\$2.0M	\$12.928M	\$65.0M
		Brookhaven Science Associates				
Capitalize Agreements for Commercializing Technology (ACT) and non-federal Work for Others (WFO) to accelerate Laboratory growth agenda	Growth in WFO, energy technology; workforce development; community relations	2015–2025				\$3.2M
STEM education and community outreach	Workforce development; community relations	2015–2025				\$2.0M
Laboratory employee college scholarships	Workforce attraction and retention	2015–2025				\$1.22M
Laboratory Director discretionary funds	All Critical Outcomes	2015–2025				\$15.78M
	BSA Total		\$5.829M	\$2.0M	\$2.136M	\$22.2M
		Stony Brook University				
Stony Brook-BNL Joint Appointments	Synchrotron Sciences; Energy Sciences; High-Energy Physics (HEP); Environmental; Data-driven Discovery	2015–2025				\$26.2M
Stony Brook-BNL Seed Grant Program and other related support	All Science Critical Outcomes	2015–2025				\$2M
	Stony Brook Total		\$5.694M	\$2.7M	\$5.839M	\$28.2M
		Partner Universities				
Partner Universities - BNL Joint Appointments	Transformation of synchrotron science; in operando/in situ energy science	2015–2020				\$3.0M
	Partner Universities Total		\$1.948M	\$0.7M	\$1.849M	\$3.0M
GRAND TOTAL			\$13.471M	\$7.4M	\$22.752M	\$118.4M

***Action Plan/Milestones:**

With respect to the New York State funding, we made the following progress during FY 2017:

Establish Big Data Consortium—Center for Data-Driven Discovery (“CD3”): The project agreement is fully signed and executed. Empire State Development Corporation issued an advance of \$.75M to commence work. In addition, BSA has provided up to \$1M in royalty finds to assist with project cash flow challenges.

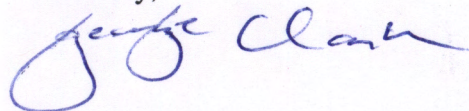
Energy Recovery Linac (“ERL”): The ERL project agreement is fully signed and executed. BNL has received \$9.178M in total funding inclusive of a \$2M advance to commence work in the beginning of FY 2017 and another \$2M for successfully meeting a go/no go decision point.

High-Energy X-ray (“HEX”) Beamline at NSLS-II: The HEX project agreement is fully signed and executed. NYSERDA issued a \$3M advance in FY 2017 to commence work. The total project award amount is \$25M and the project will be funded with 2 separate funding sources: (1) \$10M in State appropriation funds that are sub-allocated to NYSERDA; and (2) \$15M in Regional Greenhouse Gas Initiative (“RGGI”) proceeds. The project will commence with the use of the \$10M State appropriation funds. The remaining \$15M may be available (go/no go financial contingency) once the results of the first quarterly auction, held after the RGGI Review currently in process, reaches conclusion. This is anticipated no later than March 2018. RGGI funding is contingent upon demonstration that cash flows can satisfy program funding allocations approved in NYSERDA’s previously approved RGGI Operating Plan and the contract, based on projected revenues using the most recent auction price, as determined by NYSERDA’s Treasurer.

We continue to be actively engaged in discussions with officials within the State Administration to secure all funding to support these important projects. We will continue to keep you updated on our progress.

If you have any questions, please do not hesitate to contact me.

Sincerely,



George Clark
Chief Financial Officer

cc: J. Anderson (BSA/BNL)
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