



J. G. Lehew
President and Chief
Executive Officer

Monthly Performance Report

U.S. Department of Energy Contract,
DE-AC06-08RL14788
Deliverable C.3.1.3.1 - 1

June 2012
CHPRC-2012-06, Rev. 0

CONTENTS

EXECUTIVE SUMMARY.....	2
TARGET ZERO PERFORMANCE.....	4
KEY ACCOMPLISHMENTS	5
MAJOR ISSUES.....	5
EARNED VALUE MANAGEMENT	6
FUNDING ANALYSIS	16
BASELINE CHANGE REQUESTS	17
SELF-PERFORMED WORK.....	21
GOVERNMENT FURNISHED SERVICES AND INFORMATION.....	21

PROJECT BASELINE SUMMARY SECTIONS

Section A – Nuclear Materials Stabilization and Disposition of PFP (RL-0011).....	A
Section B – Spent Nuclear Fuel Stabilization and Disposition (RL-0012)	B
Section C – Solid Waste Stabilization and Disposition (RL-0013)	C
Section D – Soil and Groundwater Remediation Project (RL-0030)	D
Section E – Nuclear Facility D&D, Remainder of Hanford (RL-0040).....	E
Section F – Nuclear Facility D&D, River Corridor (RL-0041).....	F
Section G – FFTF Closure (RL-0042).....	G

APPENDICES

Appendix A – Contract Performance Reports
Appendix A-1 – Contract Performance Reports - ARRA
Appendix B – Milestones, Metrics
Appendix C – Project Services and Support (WBS 000)

EXECUTIVE SUMMARY

CHPRC celebrated the completion of 100 Tri-Party Agreement milestones and commitments. Achieving regulatory milestones is a team effort that is critical to ensuring timely delivery of Hanford cleanup.

CHPRC supported RL with events for Secretary of Energy Steven Chu and Senior Policy Advisor Dave Huizenga.

A lead auditor from the NSF International Strategic Registrations Ltd. conducted the first stage of the ISO 14001 Certification audit of the CHPRC Environmental Management System (EMS). ISO is the global standard for EMS.

Following months of preparations, CHPRC began processing knock-out pot sludge, marking a major step forward in the first removal of sludge from the K West Basin.

Workers at the Waste Encapsulation and Storage Facility completed the relocation of cesium and strontium capsules to dissipate the heat generated by the radioactive isotopes. The work was completed six months ahead of schedule.



Knock-out pot sludge processing begins at the K West Basin.



Engineering, Projects & Construction Vice President Kent Dorr speaks with Senior Policy Advisor Dave Huizenga during his tour of the 200 West Groundwater Treatment Facility.

The new 200 West Groundwater Treatment Facility turnover to begin operations was completed on time on June 28, 2012. Construction and acceptance testing of the S-SX extraction system is also complete.

At the Plutonium Finishing Plant, removal of gloveboxes reached 73 percent complete, with 170 of 232 gloveboxes removed. Workers are also continuing progress in removal of pencil tanks, with 90 of 196 removed through June.

Focus on Safety

The June 2012 President's Zero Accident Council (PZAC) meeting was hosted by the recently formed Decommissioning, Waste, Fuels & Remediation Services (DWF&RS) organization. The primary messages for the meeting were:

- Protect Yourself From the Sun
- Be Aware of Fire Season
- We All Have a Role in the Environmental Management System (EMS)

After the Stretch and Flex, the Hanford Fire Marshall turned up the heat with a presentation on Wildland Fire Pre-Planning and Loss Potential. The presentation provided Hanford's wildland fire strategy and preparation activities to protect people, structures and assets, and preserve biological and cultural resources. Representatives of the Site Occupational Medical Director fanned the flames of the planning and protection theme with skin cancer awareness and prevention tips. Always a hot topic, the EMS briefing outlined the employees' role in incorporating EMS in planning, performing, and after completing work activities. Pertinent examples of integrating EMS in daily tasks included following procedures, buying "green", waste minimization and protecting birds and cultural resources. The monthly Voluntary Protection Program (VPP) update ignited the crowd with an exciting summary of events at the annual Region X Voluntary Protection Program Participants' Association conference, which included honoring CHPRC with the Region X Innovation Award. Additional presentations in June's PZAC included an injury report, updates on injury and illness performance, and Good News Stories.

Four "Thinking Target Zero" bulletins published in June provided integral safety, health, and environmental messages:

- Managing Ozone Depleting Substances
- Aerosol Can Hazards
- EMS ISO 14001 Certification
- EMS System: Plan-Do-Check-Act

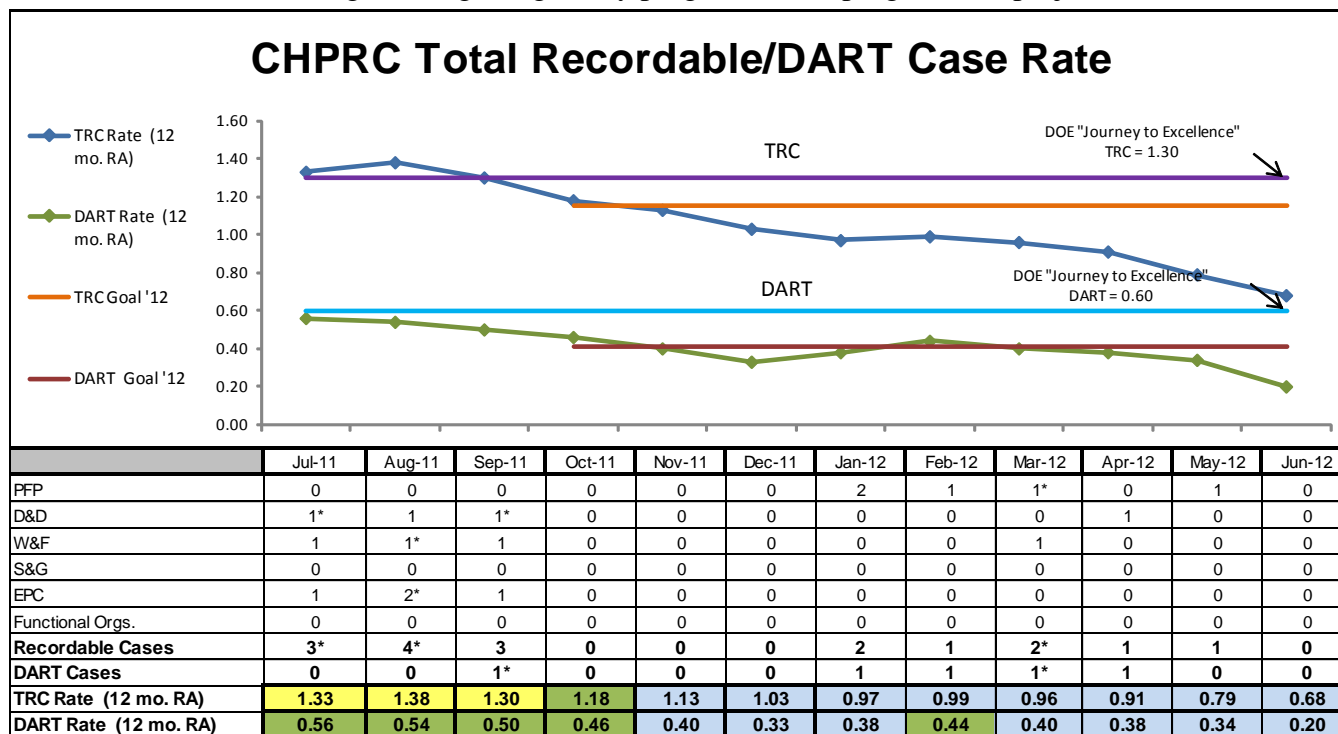
June *Weekly Safety Tailgate* briefing packages communicated the following important topics and safety communications:

- Review of Falling Object Hazard Controls
- Local Bottled Water Safety Alert
- Sun Safety Week Skin Cancer Prevention Awareness
- ISMS/EMS Expectations Updates on Stop Work
- Procedures Adopted/Endorsed by CHPRC
- Watch Out for Children on Summer Break
- Sizzling Summer Safety
- Pedestrian Safety
- PZAC and VPP Participation
- Summaries of injuries, illnesses, and close calls



TARGET ZERO PERFORMANCE June 2012

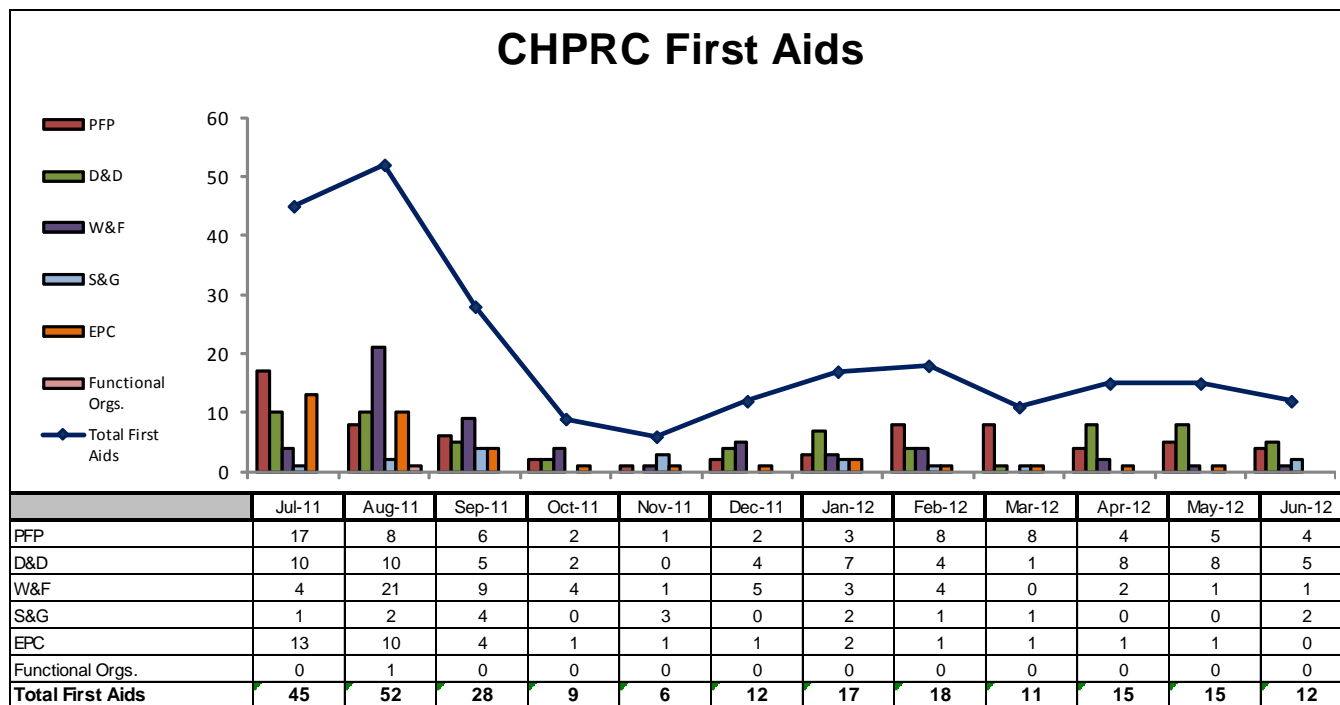
CHPRC continued focusing on integrating safety programs in all program and project areas.



Total Recordable Injury Case (TRC) Rate – The 12 month rolling average TRC rate of 0.68 is based upon a total of 17 recordable injuries. There were no Recordable cases in June 2012.

Days Away, Restricted or Transferred (DART) Workdays Case Rate – The 12 month rolling average DART rate of 0.20 is based upon a total of five cases (two Restricted, three Day Away Cases). There are two cases under review requiring additional information.

*The monthly numbers indicated in the chart are updated to reflect the month in which the injury occurred. The rates also capture any changes resulting from reclassified cases or those added as a result of completed investigations.



First Aid Case Summary – CHPRC reported 12 first-aid cases in June. The biggest contributors were seven sprains, strains and/or pains from awkward positions and overexertions. There were two abrasions / contusions from contact/being struck by an object. The other injuries were varied.

KEY ACCOMPLISHMENTS

Projects

Refer to Sections A through G of this report for project specific accomplishments.

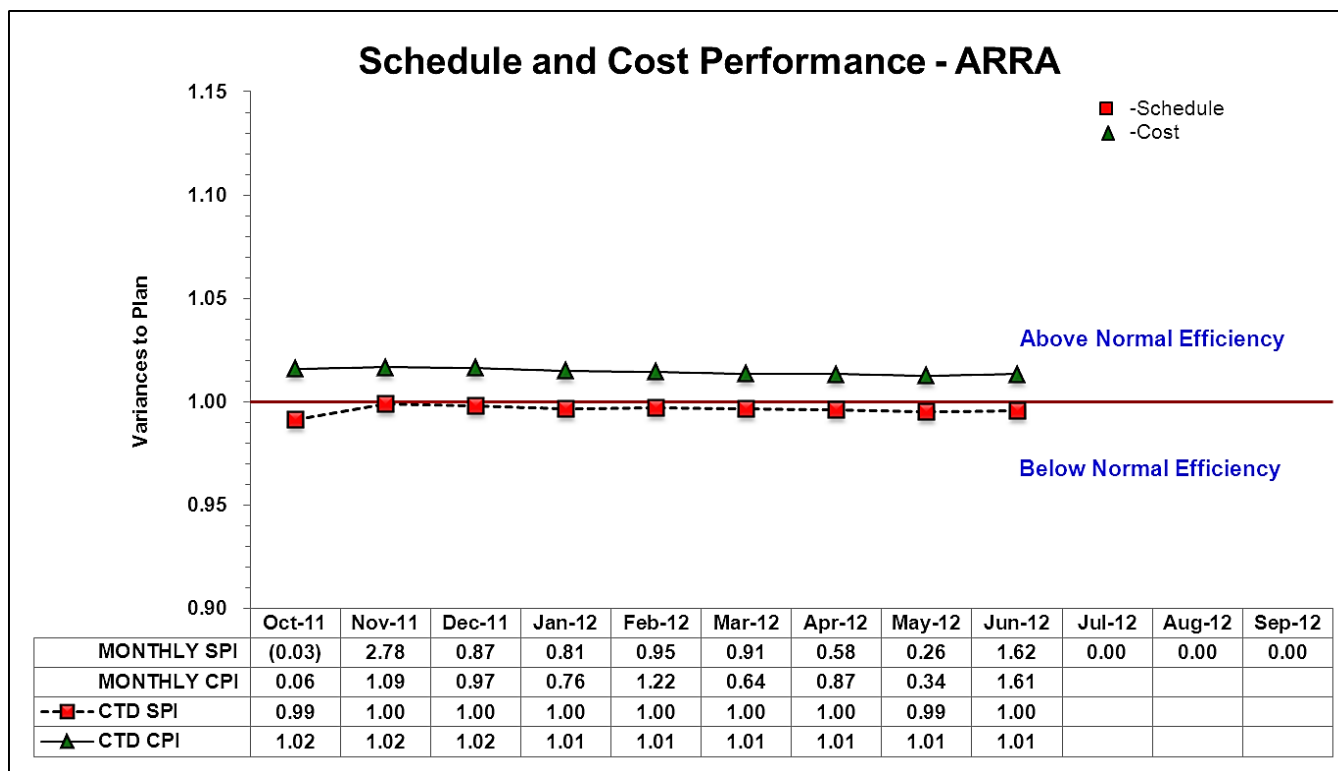
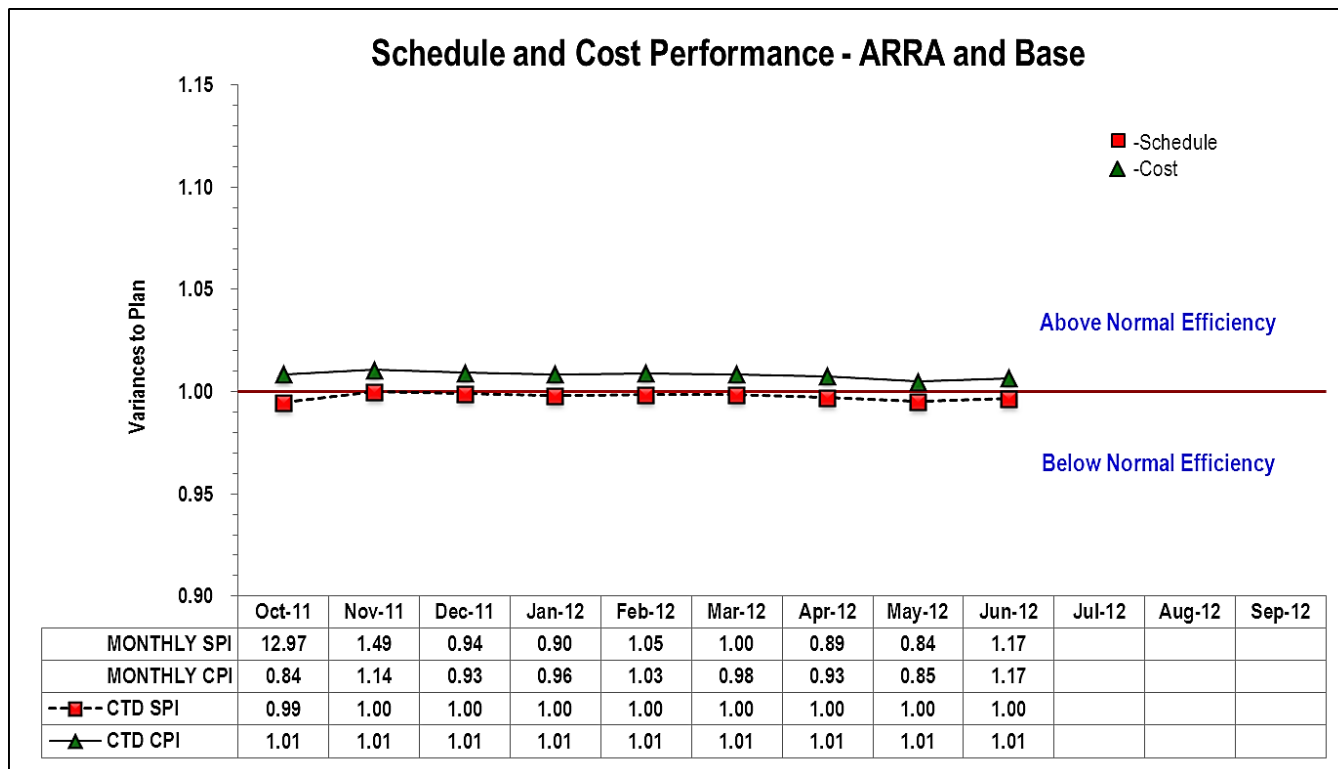
Project Services and Support

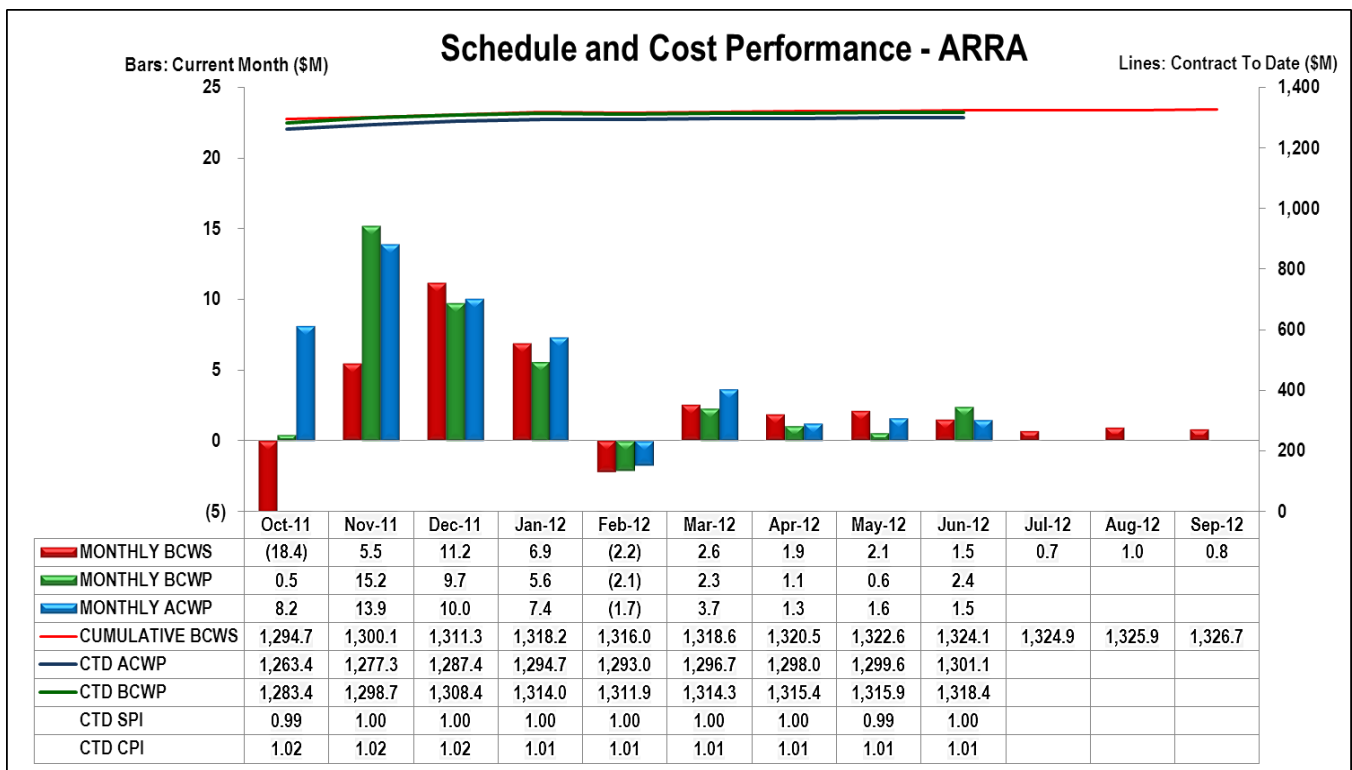
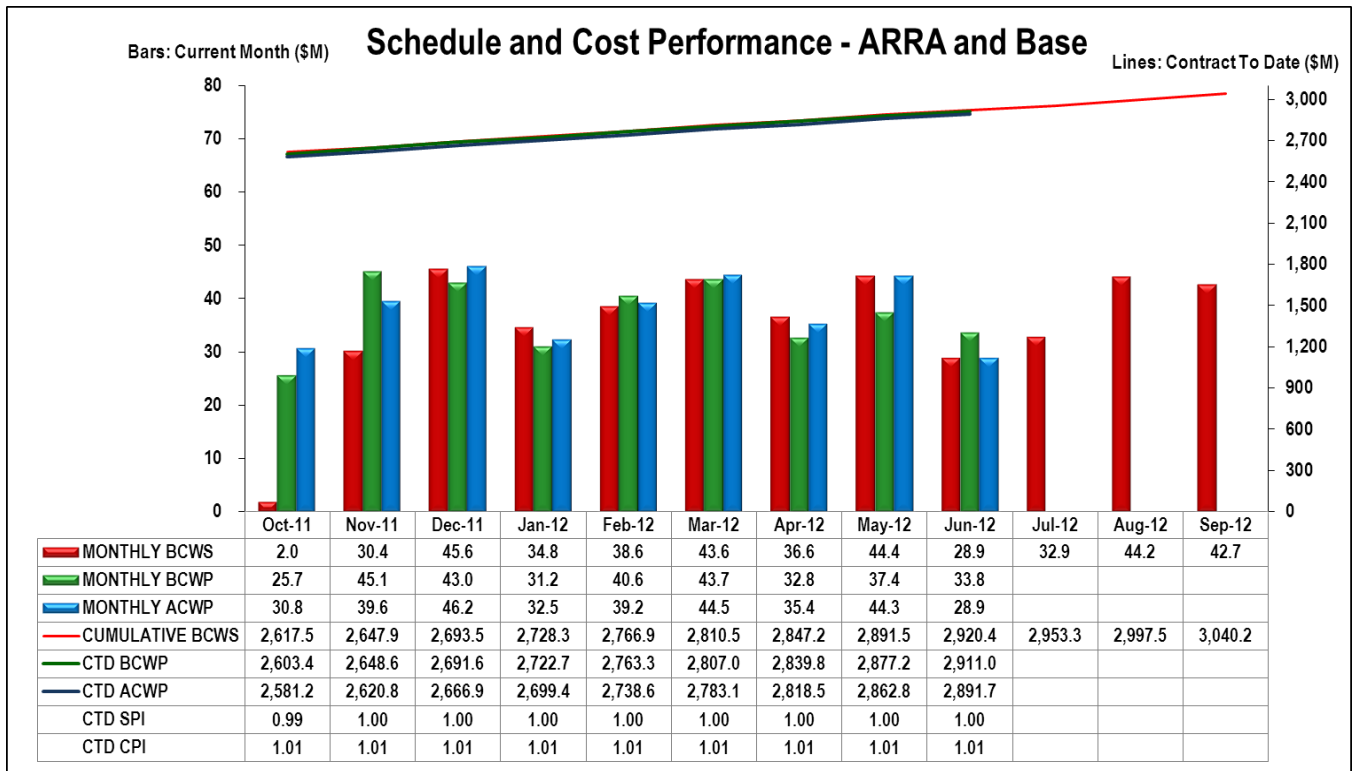
Refer to the Appendix C section of this report for specific Project Services & Support accomplishments.

MAJOR ISSUES

Refer to Sections A through G of this report for the project specific Major Issues.

EARNED VALUE MANAGEMENT





Performance Analysis – June

ARRA Performance by PBS

	\$M				
	Current Period			Variance	
	Budgeted Cost		Actual Cost	Schedule	Cost
	BCWS	BCWP	ACWP		
RL-0011 - PFP D&D	1.3	1.4	1.0	0.2	0.4
RL-0013 - MLLW Treatment	0.0	0.0	0.0	0.0	(0.0)
RL-0013 - TRU Waste	0.0	0.0	(0.0)	0.0	0.0
RL-0013 - TRU Wst Facil Trans MinSafe	0.0	0.0	0.0	0.0	(0.0)
RL-0030 - GW Capital Asset	0.0	0.0	(0.0)	0.0	0.0
RL-0030 - GW Operations	0.0	0.0	(0.0)	0.0	0.0
RL-0040 - U Plant/Other D&D	0.0	0.0	(0.0)	0.0	0.0
RL-0040 - Outer Zone D&D	0.0	0.0	0.0	0.0	(0.0)
RL-0040 - Asbestos Abatement	0.0	0.8	0.4	0.7	0.4
RL-0041 - 100K Area Remediation	0.2	0.3	0.2	0.1	0.1
(Numbers are rounded to the nearest \$0.1M)	Total	1.5	2.4	1.5	0.9

ARRA

The Current Month favorable Schedule Variance (+\$0.9M/+61.6%) reflects:

- The RL-0040 positive variance (+\$0.7M) is the result of performance taken for work completed in a prior period under base activity, transferred to new ARRA Subproject.
- The RL-0011, 13, 30, 41 variances (+\$0.2M) are within reporting thresholds.

The Current Month favorable Cost Variance (+\$0.9M/+38.0%) reflects:

- The RL-0040 positive variance (+\$0.4M) is the result of a delay in transferring all of the incurred cost for the new ARRA Asbestos Abatement subproject.
- The RL-0011, 13, 30, 41 variances (+\$0.4M) are within reporting thresholds.

Base Performance by PBS

	\$M					
	Current Period					
	Budgeted Cost		Actual Cost ACWP	Variance		
	BCWS	BCWP		Schedule	Cost	
RL-0011 - Nuclear Materials Stab & Disp PFP	5.8	6.6	6.5	0.8	0.1	
RL-0012 - SNF Stabilization & Disposition	5.4	4.9	5.5	(0.5)	(0.5)	
RL-0013 - Solid Waste Stab & Disposition	6.2	6.2	5.3	0.0	0.8	
RL-0030 - Soil & Water Rem-Grndwtr/Vadose	9.0	10.2	7.4	1.2	2.8	
RL-0040 - Nuc Fac D&D - Remainder	0.5	0.6	0.0	0.1	0.6	
RL-0041 - Nuc Fac D&D - RC Closure Project	0.4	2.7	2.6	2.2	0.1	
RL-0042 - Nuc Fac D&D - FFTF Project	0.1	0.1	0.1	(0.0)	0.1	
(Numbers are rounded to the nearest \$0.1M)	Total	27.4	31.3	27.4	3.9	4.0

Base

The Current Month unfavorable Schedule Variance (+\$3.9M/+14.4%) reflects:

- The RL-0011 positive variance (+\$0.8M) is due to implementation of BCR-011-12-003R0, PFP FY2012 Scope Deferral and Establish Capital Asset Project RL-0011.C1. This was offset due to replanned work scope (PRF Column Glovebox, Size Reduction Facility) resulting in single point adjustments of BCWS.
- The RL-0012 negative variance (-\$0.5M) is due to a slow start by the new Annex construction contractor.
- The RL-0013 positive variance (+\$0.0M) is within reporting thresholds.
- The RL-0030 positive variance (+\$1.2M) is due to implementation of BCR-030-12-021R0 (RL-30 CERCLA Documentation Impacts). The BCR addressed realized risk for the RI/FS Documents. Revision to the subproject baseline had become necessary to resolve policy issues and address RL/Regulator comments. Remaining CERCLA work scope requirements have now been replanned.
- The RL-0040 positive variance (+\$0.1M) is within reporting thresholds.
- The RL-0041 positive variance (+\$2.2M) is primarily due the following:
 - Waste Sites (+\$1.8M) The positive schedule variance is due to implementation of BCR-041-12-0010R in the current period.
 - 100K Area Project (Facilities and Others) (+\$0.4M) The positive variance is due to implementation of BCR-041-12-0010R in the current period.
- The RL-0042 negative variance (-\$0.0M) is within reporting thresholds.

The Current Month unfavorable Cost Variance (+\$4.0M/+12.7%) reflects:

- The RL-0011 positive variance (+\$0.1M) is within reporting thresholds.

- The RL-0012 Combined 100K and STP negative variance (-\$0.5M) is due to Title III engineering cost/accrual ramping up quicker than planned, partially offset by KOP Operations.
- The RL-0013 positive variance (+\$0.8M) is primarily attributed to the Labor Rate Passback and was partially offset by increased overhead allocations.
- The RL-0030 positive variance (+\$2.8M) is due to implementation of BCR-030-12-021R0 (RL-30 CERCLA Documentation Impacts). A point adjustment in the current month for prior month work performed resulted in a positive cost variance for the month. The BCR addressed realized risk for the RI/FS Documents. Revision to the subproject baseline had become necessary to resolve policy issues and address RL/Regulator comments. Remaining CERCLA work scope requirements have now been replanned.
- The RL-0040 positive variance (+\$0.6M) is within reporting thresholds.
- The RL-0041 positive variance (+\$0.1M) is within reporting thresholds.
- The RL-0042 positive variance (+\$0.1M) is within reporting thresholds.

Performance Analysis – Contract to Date

ARRA Performance by PBS

	\$M								
	Contract to Date					Contract Period			
	Budgeted Cost		Actual Cost	Variance		BAC	EAC	Variance	
	BCWS	BCWP	ACWP	Schedule	Cost				
RL-0011 - PFP D&D	289.8	284.3	293.8	(5.5)	(9.5)	289.8	297.7	(7.9)	
RL-0013 - MLLW Treatment	47.7	47.7	42.7	(0.0)	5.0	47.7	42.7	5.0	
RL-0013 - TRU Waste	255.3	255.3	253.4	(0.0)	2.0	255.3	253.4	2.0	
RL-0013 - TRU Wst Facil Trans MinSafe	1.5	1.5	1.5	0.0	0.0	1.5	1.5	0.0	
RL-0030 - GW Capital Asset	175.0	175.0	174.8	0.0	0.2	175.0	174.8	0.2	
RL-0030 - GW Operations	92.1	92.1	89.5	(0.0)	2.6	92.1	89.5	2.6	
RL-0040 - U Plant/Other D&D	199.4	199.4	193.6	(0.0)	5.8	199.4	193.6	5.8	
RL-0040 - Outer Zone D&D	84.3	84.3	71.6	0.0	12.6	84.3	71.6	12.6	
RL-0040 - Asbestos Abatement	0.0	0.8	0.4	0.7	0.4	1.8	1.9	(0.1)	
RL-0041 - 100K Area Remediation	179.0	178.0	179.9	(1.0)	(1.9)	179.7	181.4	(1.6)	
(Numbers are rounded to the nearest \$0.1M)	Total	1,324.1	1,318.4	1,301.1	(5.8)	17.3	1,326.7	1,308.0	18.7

ARRA

The CTD unfavorable Schedule Variance (-\$5.8M/-0.4%) is within reporting thresholds.

The CTD favorable Cost Variance (+\$17.3M/+1.3%) is within reporting thresholds and reflects:

- The RL-0011 negative variance (-\$9.5M) is within reporting thresholds.
- The RL-0013 positive variance (+\$7.0M) reflects the following subproject performance:
 - RL-0013 MLLW Treatment (+\$5.0M), TRU Waste (+\$2.0M) and TRU Waste Facility Trans MinSafe (+\$0.0M) positive cost variances are due to efficiencies in TRU Characterization and Shipping, TRU Repackaging, T Plant and WRAP, MLLW efficiencies created by treating waste at Energy Solutions (ES) - Clive rather than planned treatment at PermaFix Northwest (PFNW) due to a waiver received from RL, ERDF negotiated rate reduction with vendor for waste containers, partially offset by increased materials and labor costs in support of the Trench Face Retrieval and Characterization System (TFRCS), and increased resources for TRU Retrieval deteriorated waste containers, increased allocations for additional office space and other assessments as a result of allocations to Recovery Act expenditures.
- The RL-0030 positive variance (+\$2.8M) reflects the following subproject performance:
 - RL-0030.R1.1 GW Capital Asset (+\$0.4M) positive variance is within reporting thresholds.
 - RL-0030.R1.2 GW Operations (+\$2.4M) The positive variance is due to the following:
 - Drilling (+\$2.4M) The positive cost variance is due to efficiencies and savings obtained in drilling for 100-NR-2 and 200-BP-5 wells. Cost efficiencies have been obtained through an aggressive drilling schedule with savings in support personnel and faster drilling methods. Well decommissionings have also been completed for less than planned.
 - Regulatory Decision and Closure Integration (+\$1.7M) The positive variance is primarily due to completing work scope more efficiently than planned, primarily in the areas of multi-

incremental sampling (using existing documentation and direct haul rather than staging), and borehole drilling and landfill characterization (competitive subcontracting of drilling support and efficient field support).

- Ramp-up and Transition (-\$2.8M) The negative variance was driven by increased Project Services Distribution to RL-0030.
- The RL-0040 positive variance (+\$18.8M) reflects the following subproject performance:
 - ARRA RL-0040.R1.1 U Plant/Other D&D (+\$5.8M) The positive variance is due to several factors including the favorable performance of the Cold and Dark and Sampling and Characterization/Waste Identification Form teams (D4); overhead allocations, less than anticipated resources for Program Management and C-3 Sampling; lower than planned costs for capital equipment (D4), and less asbestos abatement required for 200W buildings. This is offset by increased material and equipment costs, increased use of masks and respirators due to the unexpected asbestos levels in the ancillary buildings in U Ancillary (D4), coupled with increased insulator staff and the use of overtime to recover schedule, 200E Administration and 209E Project delays, less resources required at U Canyon (D4), and Usage Based Services higher than planned.
 - ARRA RL-0040.R1.2 Outer Zone D&D (+\$12.6M) The positive variance is due to efficiencies in Arid Lands Ecology (ALE), North Slope Facilities, disposition of railcars D&D, and Outer Area waste sites. The waste site favorable cost-to-date variance is primarily due to an O-Zone Remove, Treat, and Dispose (RTD) Waste Sites adjustments (pass back) to ERDF waste disposal costs reflecting the operational efficiencies of the super dump trucks. Within the waste sites area, this favorable cost variance is partially offset by higher than planned costs associated with remediation of pipelines. A negative cost variance is associated with increased costs for the 212N/P/R Project due to the walls of the basins being much thicker than estimated.
 - ARRA RL-0040.R1.4 Asbestos Abatement (+\$0.4M) is within reporting thresholds.
- The RL-0041 negative variance (-\$1.9M) is due to the following:
 - Waste Sites (+\$8.5) The positive variance is due to Confirmatory Sampling No Action (CSNA) sites that were completed at less than anticipated cost. This is partially offset by greater than anticipated extent and severity of contamination on many waste sites resulting in more tons disposed and more controls required, thus higher than anticipated cost.
 - 100K Area Project (-10.5M) The negative variance is due to numerous design changes and additional punch list items in the Utilities Reroute project; this also resulted in the project utilizing more vehicles and equipment than was originally planned as well as the Project Management costs to rise due to the corresponding increases for both labor and materials.

Base Performance by PBS

	\$M								
	Contract to Date					Contract Period			
	Budgeted Cost		Actual Cost	Variance					
	BCWS	BCWP	ACWP	Schedule	Cost	BAC	EAC	Variance	
RL-0011 - Nuclear Materials Stab & Disp PFP	213.6	214.5	218.0	0.9	(3.6)	602.1	605.1	(3.0)	
RL-0012 - SNF Stabilization & Disposition	307.4	304.3	308.9	(3.1)	(4.6)	532.2	536.2	(3.9)	
RL-0013 - Solid Waste Stab & Disposition	374.5	374.3	378.4	(0.2)	(4.0)	1,106.6	1,110.2	(3.6)	
RL-0030 - Soil & Water Rem-Grndwtr/Vadose	511.5	513.0	519.4	1.6	(6.4)	1,230.0	1,233.4	(3.4)	
RL-0040 - Nuc Fac D&D - Remainder	76.4	76.3	69.0	(0.2)	7.3	363.0	356.2	6.8	
RL-0041 - Nuc Fac D&D - RC Closure Project	99.6	96.9	85.1	(2.7)	11.8	337.3	325.5	11.7	
RL-0042 - Nuc Fac D&D - FFTF Project	13.3	13.3	11.7	0.0	1.6	26.2	24.9	1.3	
(Numbers are rounded to the nearest \$0.1M)	Total	1,596.3	1,592.6	1,590.6	(3.7)	2.1	4,197.4	4,191.5	5.9

Base

The CTD unfavorable Schedule Variance (-\$3.7M/-0.2%) is within reporting thresholds and reflects:

- The RL-0011 positive variance (+\$0.9M) is within reporting thresholds.
- The RL-0012 negative variance (-\$3.1M) is within reporting thresholds.
- The RL-0013 negative variance (-\$0.2M) is within reporting thresholds.
- The RL-0030 positive variance (+\$1.6M) is within reporting thresholds.
- The RL-0040 negative variance (-\$0.2M) is within reporting thresholds.
- The RL-0041 negative variance (-\$2.7M) is due to the following:
 - Waste Sites (+\$1.3M) The positive cost variance is due to CSNA sites that were early.
 - 100K Area Project (Facilities and Others) (-\$4.0M) The negative schedule variance is due to being behind on K East Sedimentation, 105KE Water Tunnel, and ISS due to limited resources and additional sampling for the K East Sedimentation Basin.
- The RL-0042 positive variance (+\$0.0M) is within reporting thresholds.

The CTD favorable Cost Variance (+\$2.1M/+0.1%) is within reporting thresholds and reflects:

- The RL-0011 negative variance (-\$3.6M) is within reporting thresholds.
- The RL-0012 negative variance (-\$4.6M) is within reporting thresholds.
- The RL-0013 negative variance (-\$4.0M) is due to:
 - Mission Support Alliance (MSA) assessments above plan, TRU Retrieval additional resources to deal with deteriorated containers and drum wedge issue, FY2009 WRAP facility increased levels of corrective and preventive maintenance activities as a result of repack operations, increased labor and subcontractors support for Transportation and Packaging; partially offset by efficiencies in Liquid Effluent Facility (LEF), MLLW, TRU Disposition, TRU Repackaging, Interim Storage Area upgrades, Capsule Storage and Disposition, Mixed Waste Disposal Trenches (MWDT) and lower G&A allocations.

- The RL-0030 negative variance (-\$6.4M) primary contributors that exceed the reporting thresholds are as follows:
 - RL-0030.01 RL 30 Operations positive variance (+\$0.4M) can be attributed to:
 - Integration & Assessments (+\$4.7M) Due to higher priority River Corridor work, Central Plateau decision documents and related strategy development have been delayed from the initial schedule in the CHPRC contract (originally CP decisions were to be completed in FY2012 - and now they are out beyond FY2014).
 - Drilling (-\$2.5M) Radiological contamination encountered on five NR-2 wells has caused additional supporting resource requirements (Health Physics Technicians). In order to recover schedule additional well drilling rigs were used, resulting in overruns to the project. Also, cost for remaining casing at the completion of the project was accrued as it cannot be released to the contractor.
 - 100-NR-2 OU (+\$3.0M) Barrier expansion and sampling scope, chemical treatment and maintenance scope, jet grouting pilot test work, RI/FS Work Plan and Interim Proposed Plan Reporting were performed more efficiently than planned leading to the positive variance.
 - 100 HR-3 Operable Unit (-\$3.1M) Primary contributors to the negative cost variance are due to 100 DX extensive effort required to design the pH adjustment system, cost overruns in completing the OU Remedial Process Optimization studies, 100 DX The acceptance test plan (ATP) and the operational test plan (OTP) was more involved than planned with resource requirements exceeding the budget for the scope, additionally the work was performed in freezing weather requiring 24/7 attention to prevent freezing of pipes to continue water flow to and from wells, cost of realigning wells from DR-5 to 100 DX, 100 HX copper material costs increased significantly between estimate and procurement of materials resulting in cost over-runs. Additionally the ATP was more involved than planned with resource requirements exceeding the budget for the scope and additional time and resources being spent on internal CERCLA (RI/FS) document development as a result of extensive RL comments.
 - 200-ZP-1 Operable Unit (+\$1.4M) Labor and subcontract cost for general operations and minor modifications support for 200-ZP-1 interim pump & treat facility is significantly less than planned. The system is running very smoothly with less adjustment than had been anticipated. Efficiencies are expected to continue with the interim facility operations until startup of the new 200 West Pump & Treat facility.
 - 200 PW-1 OU (+\$1.3M) Labor and subcontract cost for general operations and minor modifications support is less than planned. In addition, efficiencies and savings experienced with the Soil Vapor Extraction (SVE) system testing prior to March 2010 as well as the removal of two old SVE units.
 - Ramp-up and Transition (-\$2.8M) The negative variance was driven by increased Project Services Distribution to RL-0030.
 - RL-0030.C1 GW Remedy Implementation negative variance (-\$6.7M) can be attributed to:
 - 200-ZP-1 Operable Unit (-\$6.7M) The negative variance is due to 200W P&T construction associated with the CHPRC accrued costs for Construction Contractors completed work scope defined in Change Notifications which are in the process of definitization. The costs are associated with the resources expended to complete the P&T facility by the end of FY2011 including added shifts, overtime, and logistics of working parallel activities. Sludge

Stabilization System installation is costing more than budgeted. There have been significant delays in long lead equipment, field installation issues, design changes and schedule extensions that have resulted in cost overruns. Interim Operations reflects significant progress and cost underruns achieved to date for System Calibration, design of the permanent hookup of well EW-1 was lower than planned as only minor changes were needed to an existing design, cost for performing general operating and maintenance and minor modification activities have been lower than planned as the system has been running smoothly, cost for collecting depth discrete groundwater and soil samples during the installation of new wells was less than planned, 200W Pump-and-Treat Remedial Design/Remedial Action work plan and preliminary design activities were completed with fewer resources than planned.

- The RL-0040 positive variance (+\$7.3M) is primarily due to recognized efficiencies for demolition of the Industrial 7 Project (D4) as a result of utilization of existing site equipment and materials, surveillance and maintenance costs (D4) less than expected, completion of the sampling of Cell 30 with less resources than planned, Program Management utilizing less resources, capital equipment, Usage Base Services, and underrun in overhead allocations.
- The RL-0041 positive variance (+\$11.8M) cost variance is within established reporting thresholds. The project is currently experiencing impacts associated with:
 - Waste Sites (+\$9.6M) The positive cost variance is due to CSNA sites that were completed at less than anticipated cost. This is partially offset by greater than anticipated extent and severity of contamination on many waste sites resulting in more tons disposed and more controls required, thus higher than anticipated cost, as well as level-of-effort activities bearing additional costs for increased functional group support.
 - 100K Area Project (Facilities and Others) (+\$2.1M) The positive cost variance is due to 105KE Reactor Disposition – ISS underrun as well as G&A and Direct Distributables.
- The RL-0042 positive variance (+\$1.6M) reflects reduction in surveillance and maintenance requirements as the facility deactivation reached completion. Efficient use of resources to support deactivation activities with available time further aided in creating this positive variance.

FUNDING ANALYSIS

FY2012 Funds vs. Fiscal Year Spend Forecast (\$M)

PBS	Project	FY 2012		Variance
		Projected Funding	Spending Forecast	
RL-0011	Nuclear Materials Stabilization and Disposition	33.4	33.4	0.0
RL-0013	Waste and Fuels Management Project	4.6	4.6	0.0
RL-0030	Soil, Groundwater and Vadose Zone Remediation	0.6	0.6	0.0
RL-0040	Nuclear Facility D&D, Remainder of Hanford	9.2	9.2	0.0
RL-0041	Nuclear Facility D&D, River Corridor	6.5	6.5	0.0
Total ARRA:		54.2	54.2	0.0
RL-0011	Nuclear Materials Stabilization and Disposition	91.8	89.6	2.3
RL-0012	Spent Nuclear Fuel Stabilization and Disposition	86.9	86.9	0.0
RL-0013	Waste and Fuels Management Project	84.2	83.3	0.9
RL-0030	Soil, Groundwater and Vadose Zone Remediation	124.6	124.6	0.0
RL-0040	Nuclear Facility D&D, Remainder of Hanford	11.4	11.3	0.1
RL-0041	Nuclear Facility D&D, River Corridor	34.6	33.5	1.1
RL-0042	Fast Flux Test Facility Closure	2.0	1.9	0.1
Total Base:		435.5	431.1	4.4

Funds/Variance Analysis:

The ARRA spending forecast assumes that all ARRA funding is spent in FY2012. Base funding reflects FY2011 carryover funds of \$42.2M. FY2012 new budget authority is reduced from \$397.5M to \$393.3M, bringing the FY2012 total projected funding to \$435.5M. RL directed the funding reduction to offset credit cost received in HEWT of \$1.1M and Workers Compensation of \$3.1M.

BASELINE CHANGE REQUESTS

In June 2012, CHPRC approved and implemented seven (7) BCRs, of which one (1) were administrative in nature and did not change scope, schedule or budget. The five change requests are identified in the table below:

Change Request #	Title	Summary of Change
Implemented into the Earned Value Management System for June 2012		
BCR-011-12-003R0	<i>PFP FY12 Scope Deferral and Establish Capital Asset Project RL-011.C1</i>	In accordance with DOE-RL guidance (Correspondence No. 1201977 A, DOE-RL 12-PIC-0011, dated 5/24/12, <i>Reissue – Contract No. DE-AC06-08RL14788 – Fiscal Year (FY) 2013 Annual Performance Measurement Baseline (PMB) Update</i>), a Capital Asset Project is required for PFP Decontaminate & Decommission (D&D) (ARRA/Base). This affects work scope associated with D&D of 234-5Z process lines—Remote Mechanical A and Remote Mechanical C (RMA/RMC) line gloveboxes—including in-situ size reduction. This change creates the structure and recodes remaining activities to align with that structure. In addition, funding targets received in this guidance and work force restructuring, impacts to the PFP Project priorities and/or initiatives have caused areas being worked in FY2012 (i.e., PRF Columns) to be laid up, and other scope scheduled to be initiated late in FY2012 to be deferred and executed later in the contract period.
BCR-030-12-021R0	<i>RL-30 CERCLA Documentation Impacts</i>	Due to the number of comments received on CERCLA documents and the need for policy and technical decisions is impacting contractual delivery due dates and decreasing float on major TPA Milestone M-015-00D “DOE shall complete the RI/FS process through the submittal of a Proposed Plan for all 100 and 300 Area operable units”. As a result of these delays, RL-30 has realized the following risks; <ul style="list-style-type: none"> • SGW-008 – Regulatory documents result in significant comments from regulators. • SGW-008A – Significant Regulatory Comments – 100-KR-4. • SGW-008B – Significant Regulatory Comments – 100-HR-3. • SGW-008C – Significant Regulatory Comments – 100-BC-5. • SGW-008D – Significant Regulatory Comments – 100-NR-2. • SGW-008E – Significant Regulatory Comments – 100-FR-3. • SGW-008J – Significant Regulatory Comments – 300-FF-5.
BCR-040-12-005R0	<i>Central Plateau Surplus Steam Lines Surveillance</i>	As part of on-going surveillance, the contractor shall inspect all Central Plateau 200 Area Hanford Site, above-ground, surplus steam lines up to facility and fence line boundaries of operating facilities, identify any asbestos exposure and determine any threat to workers or the public. The purpose of this BCR is to implement the instructions in DOE correspondence letter 1200874A. In fiscal year 2012, implementation includes preparing a cost estimate (preparation of Change Proposal 1216), procedural development and finalizing the lines of demarcation for the associated scope. DOE has authorized a not-to-exceed amount of \$20,000 pending definitization of the Change Order.

Change Request #	Title	Summary of Change
BCR-041-12-010R0	<i>100K Area Waste Site Scope to Support Phase 1 TPA Milestone</i>	Defers FY2012 work scope that either cannot be completed this fiscal year or is work scope that is being delayed to redirect FY2012 funding to support work scope required to complete the Tri-Party Agreement (TPA) Milestone M-016-053, <i>Complete The Interim Response Actions For The 100 K Area Within The Perimeter Boundary And To The River For Phase 1 Actions</i> , due 12/30/2012. The RL-0041 Federal Project Director is in agreement with the deferral of this work scope. It also provides scope (BCWS and tons to ERDF) and funding for work not currently planned in the FY2012 PMB that is required to complete TPA Milestone M-016-053 and /or TPA Milestone M-093-022, <i>Complete 105-KE Reactor Interim Safe Storage in accordance with the remedial design/remedial action work plan</i> , due 07/31/2014.
BCRA-030-12-022R0	<i>RL-30 June 2012 Administrative Changes</i>	Clarifies the estimate method in CEIS for WBS Elements 030.06.07.01.02.02 through 030.06.07.01.02.09, and addresses a portion of RCR Comment 264.
BCR-PRC-12-011R0	<i>PMB Rev 3 Punch-List Cleanup</i>	Corrects an error in the rate calculation for the WK (Solid LLW Radiological Stabilization) rate. The change in rate results in a decrease to the PMB of \$1,516.7K.
BCR-R40-12-001R0	<i>RL-40 Asbestos Pipeline Abatement, Removal, Signage, Sampling, and Surface Stabilization</i>	The baseline change adds work scope to support the remediation of asbestos on the cross site steam lines and prior demolition sites. This change is necessary to comply with Contract Modification 227, and Contracting Officer Representative (COR) direction. This change request also establishes a new ARRA subproject (RL-0040.R1.4 Asbestos Abatement Buy-Back ARRA Project).

Overall the contract period performance measurement baseline (PMB) budget is increased by \$5.5M in June 2012.

Management Reserve Activity

BCR Number	Title	Fiscal Year	MR (ARRA)	MR (Base)
BCR-011-12-003R0	<i>PFP FY12 Scope Deferral and Establish Capital Asset Project RL-011.C1</i>	2012-2013	N/A	-\$0.2M
BCR-030-12-021R0	<i>RL-30 CERCLA Documentation Impacts</i>	2012-2018	N/A	-\$4.2M
BCR-041-12-010R0	<i>100K Area Waste Site Scope to Support Phase 1 TPA Milestone</i>	2012-2018	N/A	-\$0.9M
BCR-PRC-12-011R0	<i>PMB Rev 3 Punch-List Cleanup</i>	2012-2018	N/A	\$1.5M
Overall MR Change in June 2012 decreased \$3.8M				

No Fee impact in June 2012.

See the Format 3 Report in Appendix A and A-1 for a complete listing of the specific change requests and the impact on the PMB budget by fiscal year. The change to the Estimated Contract Price, if all authorized, un-priced work scope were definitized at the PMB values as a result of change requests processed in June 2012, would be a net zero and is summarized by fiscal year in the tables below (dollars in thousands, negative number represents reduction):

June 2012 Summary of Changes

	FY2009	FY2010	FY2011	FY2012	FY2013	FYs 2009-2013	FYs 2014-2018	Contract Period Total	Post Contract Total	Total PMB
May 2012 Estimate										
PMB	653,426	960,017	1,002,105	424,662	476,551	3,516,761	2,001,855	5,518,617	0	5,518,617
MR	0	0	0	24,790	13,107	37,897	86,144	124,041	0	124,041
Fee	39,712	48,772	32,322	17,052	24,695	162,553	76,347	238,900	0	238,900
Total	693,138	1,008,789	1,034,427	466,504	514,353	3,717,211	2,164,346	5,881,558	0	5,881,558
Change by Funding Source in June 2012										
PMB										
ARRA										
All ARRA WBSs	0	0	0	666.3	0	666	0	666	0	666
Base										
All Base WBSs	0	0	0	-676	3,134	2,458	2,354	4,813	0	4,813
Change to PMB	0	0	0	-10	3,134	3,125	2,354	5,479	0	5,479
MR										
ARRA										
All ARRA WBSs	0	0	0	0	0	0	0	0	0	0
Base										
All Base WBSs	0	0	0	1,679	-3,134	-1,455	-2,354	-3,809	0	-3,809
Change to MR	0	0	0	1,679	-3,134	-1,455	-2,354	-3,809	0	-3,809
Fee										
ARRA										
All ARRA WBSs	0	0	0	0	0	0	0	0	0	0
Base										
All Base WBSs	0	0	0	0	0	0	0	0	0	0
Change to Fee	0	0	0	0	0	0	0	0	0	0
Total Change	0	0	0	0	0	0	0	0	0	0
June 2012 Estimate										
PMB	653,426	960,017	1,002,105	424,652	479,685	3,519,886	2,004,209	5,524,096	0	5,524,096
MR	0	0	0	26,469	9,973	36,442	83,790	120,232	0	120,232
Fee	39,712	48,772	32,322	17,052	24,695	162,553	76,347	238,900	0	238,900
Total	693,138	1,008,789	1,034,427	468,173	514,353	3,718,880	2,164,346	5,883,228	0	5,883,228

Changes to/Utilization of Management Reserve in June 2012

		FY2009	FY2010	FY2011	FY2012	FY2013	FY2009-2013	FY2014-2018	Total
May 2012 MR Totals									
ARRA	RL-0011.R1	0	0	0	0	0	0	0	0
	RL-0013.R1.1	0	0	0	0	0	0	0	0
	RL-0013.R1.2	0	0	0	0	0	0	0	0
	RL-0030.R1.1	0	0	0	0	0	0	0	0
	RL-0030.R1.2	0	0	0	0	0	0	0	0
	RL-0040.R1.1	0	0	0	0	0	0	0	0
	RL-0040.R1.2	0	0	0	0	0	0	0	0
	RL-0041.R1	0	0	0	0	0	0	0	0
ARRA Total	0	0	0	0	0	0	0	0	0
Base	RL-0011	0	0	0	8,860	3,183	12,043	11,071	23,114
	RL-0012	0	0	0	1,500	2,500	4,000	10,500	14,500
	RL-0013	0	0	0	673	276	949	18,525	19,474
	RL-0030	0	0	0	10,092	4,760	14,851	10,390	25,241
	RL-0040	0	0	0	2,021	962	2,982	16,644	19,626
	RL-0041	0	0	0	1,444	1,227	2,670	18,015	20,686
	RL-0042	0	0	0	200	200	400	1,000	1,400
Base Total	0	0	0	24,790	13,106	37,896	86,144	124,041	
MR Total	0	0	0	24,790	13,106	37,896	86,144	124,041	
June 2012 MR Changes/Utilization									
ARRA	RL-0011.R1	0	0	0	0	0	0	0	0
	RL-0013.R1.1	0	0	0	0	0	0	0	0
	RL-0013.R1.2	0	0	0	0	0	0	0	0
	RL-0030.R1.1	0	0	0	0	0	0	0	0
	RL-0030.R1.2	0	0	0	0	0	0	0	0
	RL-0040.R1.1	0	0	0	0	0	0	0	0
	RL-0040.R1.2	0	0	0	0	0	0	0	0
	RL-0041.R1	0	0	0	0	0	0	0	0
ARRA Total	0	0	0	0	0	0	0	0	
Base	RL-0011	0	0	0	3,461	-3,627	-167	-167	-167
	RL-0012	0	0	0	0	0	0	0	0
	RL-0013	0	0	0	0	0	0	22	22
	RL-0030	0	0	0	-1,780	-951	-2,730	-1,483	-4,213
	RL-0040	0	0	0	0	0	0	0	0
	RL-0041	0	0	0	-2	1,444	1,441	-892	549
	RL-0042	0	0	0	0	0	0	0	0
Base Total	0	0	0	1,679	-3,134	-1,455	-2,354	-3,809	
MR Total	0	0	0	1,679	-3,134	-1,455	-2,354	-3,809	
June 2012 MR Totals									
ARRA	RL-0011.R1	0	0	0	0	0	0	0	0
	RL-0013.R1.1	0	0	0	0	0	0	0	0
	RL-0013.R1.2	0	0	0	0	0	0	0	0
	RL-0030.R1.1	0	0	0	0	0	0	0	0
	RL-0030.R1.2	0	0	0	0	0	0	0	0
	RL-0040.R1.1	0	0	0	0	0	0	0	0
	RL-0040.R1.2	0	0	0	0	0	0	0	0
	RL-0041.R1	0	0	0	0	0	0	0	0
ARRA Total	0	0	0	0	0	0	0	0	
Base	RL-0011	0	0	0	12,321	-444	11,877	11,071	22,948
	RL-0012	0	0	0	1,500	2,500	4,000	10,500	14,500
	RL-0013	0	0	0	673	276	949	18,547	19,495
	RL-0030	0	0	0	8,312	3,809	12,121	8,906	21,027
	RL-0040	0	0	0	2,021	962	2,982	16,644	19,626
	RL-0041	0	0	0	1,441	2,670	4,112	17,123	21,235
	RL-0042	0	0	0	200	200	400	1,000	1,400
Base Total	0	0	0	26,468	9,972	36,441	83,791	120,231	
MR Total	0	0	0	26,468	9,972	36,441	83,791	120,231	

SELF-PERFORMED WORK

Business structure information documents ongoing compliance with the requirements of the Contract Section H.20 clause entitled *Self-Performed Work*.

Contracts-to-Date Actual Awards & Mods							Projection to FY18		
Contracts + Purchase Orders + Pcard 10/1/08 -7/1/2012							Planned Subcontracting*	\$2,524,483,195	
							Contract-to-date awards	\$1,927,359,671	
	ARRA		BASE		Total \$	Total %	Goal	Bal remaining to award = \$597,123,524	
	\$	%	\$	%			%	Goal award \$	Bal to goal \$
SB	\$376,484,451	53.67%	\$578,758,298	47.21%	\$955,242,750	49.56%	49.30%	\$1,244,570,215	\$289,327,465
SDB	\$78,240,059	11.15%	\$96,041,427	7.83%	\$174,281,485	9.04%	8.20%	\$207,007,622	\$32,726,137
SWOB	\$87,347,460	12.45%	\$103,151,308	8.41%	\$190,498,768	9.88%	7.50%	\$189,336,240	(\$1,162,529)
HUB	\$22,688,102	3.23%	\$23,290,476	1.90%	\$45,978,578	2.39%	2.20%	\$55,538,630	\$9,560,053
VOSB	\$52,722,636	7.52%	\$59,382,815	4.84%	\$112,105,451	5.82%	3.50%	\$88,356,912	(\$23,748,539)
SDVO	\$13,201,977	1.88%	\$40,126,295	3.27%	\$53,328,272	2.77%	1.30%	\$32,818,282	(\$20,509,990)
NAB	\$17,535,431	2.50%	\$10,866,097	0.89%	\$28,401,528	1.47%	0.00%	* 10-year subcontracting projection	
Large	\$242,701,642	34.60%	\$304,966,811	24.88%	\$547,668,453	28.42%	0.00%	PRC clause H.20 small business (SB) requirement:	
GOVT	\$129,363	0.02%	\$1,657,295	0.14%	\$1,786,658	0.09%	0.00%	≥17% of Total Contract Price performed by SB	
GOVT CONT	\$82,069,389	11.70%	\$337,332,317	27.52%	\$419,401,706	21.76%	0.00%	Total Contract Price:	\$5,861,389,946
EDUC	\$782	0.00%	\$94,878	0.01%	\$95,660	0.00%	0.00%	17% requirement:	\$996,436,291
NONPROFIT	\$49,097	0.01%	\$2,897,087	0.24%	\$2,946,184	0.15%	0.00%	SB Awarded:	\$955,242,750
FOREIGN	\$21,173	0.00%	\$193,710	0.02%	\$214,883	0.01%	0.00%	Balance to Requirement:	\$41,193,541
Total	\$701,455,898		\$1,225,903,773		\$1,927,359,671				

Notes:

1. Subcontracting goals have been met as a result of a concerted effort to award new small business actions and an update of the subcontracting goals to match the small business plan submitted to DOE in December 2010 that was verbally accepted by DOE in August 2011. Fifty-one percent of total awards have been made to small businesses with approximately 54% of ARRA awards to small businesses.
2. ARRA-funded awards have accounted for approximately 44% of all actions placed since contract inception.
3. Approximately 93% of the total dollars arise from service and staffing Contracts and Contract amendments with five percent of the dollars arising from P-Card purchases and the balance from purchase orders for materials and equipment.
4. This report excludes blanket contract values which are only estimates and not used for payment obligations.
5. Data is summarized by business categories (Women Owned Minority Business Enterprise codes) in accordance with socioeconomic reporting requirements. Small business categories overlap and should not be added together.

GOVERNMENT FURNISHED SERVICES AND INFORMATION (GFS/I)

Contract Section	Project	GFS/I	Status
CONTRACT			
J.12/C.2.3.6	PBS-13, Transuranic Waste Certification	WIPP provides shipping resources and manages the schedule for transportation of these containers to WIPP. The schedule is variable and the number of shipments is controlled by DOE-HQ on a complex-wide priority. Cost for shipment of TRU waste offsite is borne by the Carlsbad Field Office.	Ongoing