CH2MHILL
Plateau Remediation Company

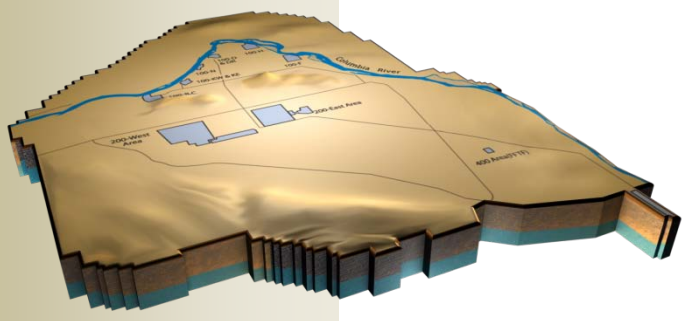
Appendix A-1

Contract Performance Reports ARRA

Format 1 - Work Breakdown Structure

Format 3 - Baseline

Format 5 - Explanation and Problem Analysis



December 2010
DOE/RL-2010-126-12, Rev. 0
Contract DE-AC06-08RL14788
Deliverable C.3.1.3.1 - 1

FORMAT 1, DD FORM 2734/1, WORK BREAKDOWN STRUCTURE

CLASSIFICATION (When Filled In)

CONTRACT PERFORMANCE REPORT
FORMAT 1 - WORK BREAKDOWN STRUCTURE
DOLLARS IN Thousands of $

FORM APPROVED
OMB No. 0704-0188

1. CONTRACTOR	2. CONTRACT		3. PROGRAM	4. REPORT PERIOD
a. NAME CH2M HILL Plateau Remediation Company	a. NAME Plateau Remediation Contract		a. NAME Plateau Remediation Contract	a. FROM (YYYYMMDD) 2010 / 11 / 22
b. LOCATION (Address and ZIP Code) Richland, WA	b. NUMBER RL14788		b. PHASE	b. TO (YYYYMMDD) 2010 / 12 / 26
	c. TYPE CPAF	d. SHARE RATIO	c. EVMS ACCEPTANCE NO YES X 9/18/2009	

5. CONTRACT DATA

a. QUANTITY	b. NEGOTIATED COST	c. ESTIMATED COST OF AUTHORIZED UNPRICED WORK	d. TARGET PROFIT/ FEE	e. TARGET PRICE	f. ESTIMATED PRICE	g. CONTRACT CEILING	h. ESTIMATED CONTRACT CEILING	i. DATE OF OTB/OTS (YYYYMMDD)
	1,305,191	(2,363)	70,807	1,375,998	1,374,969	1,375,998	1,374,969	

6. ESTIMATED COST AT COMPLETION

	MANAGEMENT ESTIMATE AT COMPLETION (1)	CONTRACT BUDGET BASE (2)	VARIANCE (3)
a. BEST CASE	1,302,828		
b. WORST CASE	1,302,828		
c. MOST LIKELY	1,302,828	1,302,828	0

7. AUTHORIZED CONTRACTOR REPRESENTATIVE

a. NAME (Last, First, Middle Initial)	b. TITLE	c. SIGNATURE	d. DATE SIGNED (YYYYMMDD)
Bang, M.V.	Prime Contract Manager		2011/1/25

8. PERFORMANCE DATA

WBS[1]	CURRENT PERIOD					CUMULATIVE TO DATE					REPROGRAMMING ADJUSTMENTS			AT COMPLETION		
	BUDGETED COST		ACTUAL COST	VARIANCE		BUDGETED COST		ACTUAL COST	VARIANCE							
ITEM (1)	WORK SCHEDULED (2)	WORK PERFORMED (3)	WORK PERFORMED (4)	SCHEDULE (5)	COST (6)	WORK SCHEDULED (7)	WORK PERFORMED (8)	WORK PERFORMED (9)	SCHEDULE (10)	COST (11)	COST VARIANCE (12a)	SCHEDULE VARIANCE (12b)	BUDGET (13)	BUDGETED (14)	ESTIMATED (15)	VARIANCE (16)
RL-0011.R1 PFP D&D	10,465	9,241	9,029	(1,224)	212	179,106	167,686	162,096	(11,420)	5,591	0	0	0	277,474	277,474	0
RL-0013C.R1.1 MLLW Treatment	1,335	842	764	(493)	78	35,645	33,892	31,907	(1,754)	1,985	0	0	0	47,781	47,781	0
RL-0013C.R1.2 TRU Waste	8,582	9,427	8,105	845	1,322	140,736	140,533	140,941	(202)	(408)	0	0	0	249,237	249,237	0
RL-0030.R1.1 GW Capital Asset	-148	5,386	6,047	5,534	(661)	91,336	88,423	88,839	(2,912)	(415)	0	0	0	168,451	168,451	0
RL-0030.R1.2 GW Operations	2,162	4,069	5,177	1,907	(1,107)	63,633	61,013	55,698	(2,619)	5,315	0	0	0	84,264	84,264	0
RL-0040.R1.1 U Plant/Other D&D	5,131	5,373	7,693	242	(2,320)	139,626	135,543	123,471	(4,082)	12,072	0	0	0	196,733	196,733	0
RL-0040.R1.2 Outer Zone D&D	3,256	2,856	3,701	(399)	(844)	54,179	54,559	44,873	380	9,686	0	0	0	83,034	83,034	0
RL-0041.R1.1 100 K Area Remediation	2,518	1,797	5,837	(721)	(4,040)	131,495	130,260	128,706	(1,235)	1,553	0	0	0	168,354	168,354	0
b. Cost of Money	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
c. Gen. and Admin.	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
d. Undist. Budget														0	0	0
e. Sub Total	33,301	38,992	46,352	5,691	(7,360)	835,755	811,910	776,530	(23,845)	35,380	0	0	0	1,275,328	1,275,328	0
f. Management Resrv.														27,500		
g. Total	33,301	38,992	46,352	5,691	(7,360)	835,755	811,910	776,530	(23,845)	35,380	0	0	0	1,302,828		
9. Reconciliation to CBB																
a. Variance Adjustment									0	0						
b. Total Contract Variance									(23,845)	35,380				1,302,828	1,275,328	27,500

CONTRACT PERFORMANCE REPORT FORMAT 3 - BASELINE		DOLLARS IN THOUSANDS	Form Approved OMB No. 0704-0188
1. CONTRACTOR CH2M HILL Plateau Remediaction Company b. LOCATION: Richland, WA	2. CONTRACT a. NAME: Plateau Remediation Contract b. NUMBER: RL14788 c. TYPE: CPAF d. SHARE RATIO:	3. PROGRAM a. NAME: Plateau Remediation Contract b. PHASE c. EVMS ACCEPTANCE NO YES X 9/18/2009	4. REPORT PERIOD a. FROM: 2010/11/22 b. TO: 2010/12/26

5. CONTRACT DATA

a. ORIGINAL NEGOTIATED COST	b. NEGOTIATED CONTRACT CHANGE	c. CURRENT NEGOTIATED COST (A + B)	d. ESTIMATED COST AUTH UNPRICED WORK	e. CONTRACT BUDGET BASE (C + D)	f. TOTAL ALLOCATED BUDGET	g. DIFFERENCE (E - F)
0	$1,305,191	$1,305,191	(2,362.8)	$1,302,828	$1,302,828	$0

h. CONTRACT START DATE	i. DEFINITIZATION DATE	j. PLANNED COMPL DATE	k. CONT COMPLETION DATE	l. EST COMPLETION DATE
4/9/2009		9/30/2011		9/30/2011

6. PERFORMANCE DATA

BUDGETED COST FOR WORK SCHEDULED (NON - CUMULATIVE)

ITEM	BCWS CUM TO DATE	BCWS FOR REPORT PERIOD	SIX MONTH FORECAST +1 Jan-11	+2 Feb-11	+3 Mar-11	+4 Apr-11	+5 May-11	6+ Jun-11	FY09	FY10	FY11	FY12	OUT YEARS	UNDISTRIB BUDGET	TOTAL BUDGET
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
a. PM BASELINE															
(BEGIN OF PERIOD)	**802,454**	**44,675**	**43,484**	**46,306**	**57,664**	**43,573**	**41,992**	**53,384**	**161,538**	**565,906**	**548,933**	**0**	**0**	**0**	**1,276,377**
b. BASELINE CHANGES AUTH DURING REPORT PERIOD															
AWA-030-11-007R0 100-BC-5 & 100-FR-3 Initial Planning to Support Contract Mod 129 (TPA M-016-110-T01)											0	0	0		**0**
AWA-030-11-008R0 Pore Water Sampling to Support TPA Change Notice TPA-CN-391, RL-30											0	0	0		**0**
BCR-030-11-006R0 Update Schedule to Revised TPA Milestone M-015-60, RL-30											0	0	0		**0**
BCR-PRC-11-010R0 PMB Alignment to Contract Price Adjustment Request											(1,049)	0	0		**(1,049)**
BCR-PRC-11-014R0 Management Reserve Adjustment for PRC Baseline, Revision 2 Update											0	0	0		**0**
BCRA-PRC-11-015R0 General Administrative & FOC Changes for December 2010											0	0	0		**0**
BCRA-R30-11-002R0 ZP-1 Pump & Treat Construction Schedule Revision, RL-30											0	0	0		**0**
c. PM BASELINE (END OF PERIOD)	**802,454**		**41,170**	**43,791**	**55,258**	**46,543**	**44,271**	**53,510**	**161,538**	**565,906**	**547,884**	**0**	**0**	**0**	**1,275,328**
7. MANAGEMENT RESERVE															**27,500**
8. TOTAL															**1,302,828**

CLASSIFICATION (When Filled In)

CONTRACT PERFORMANCE REPORT
FORMAT 5 - EXPLANATIONS AND PROBLEM ANALYSES

FORM APPROVED
OMB No. 0704-0188

1. CONTRACTOR	2. CONTRACT		3. PROGRAM	4. REPORT PERIOD
a. NAME CH2M HILL Plateau Remediation Company	**a. NAME** Plateau Remediation Contract		**a. NAME** Plateau Remediation Contract	**a. FROM (YYYY/MM/DD)** 2010/11/22
b. LOCATION (Address and ZIP Code) Richland, WA 99354	**b. NUMBER** RL		**b. PHASE** ARRA	**b. TO (YYYY/MM/DD)** 2010/12/26
	c. TYPE CPAF	**d. SHARE RATIO**	**c. EVMS ACCEPTANCE 2009/09/18** **NO** **YES X**	

	BCWS	BCWP	ACWP	SV in $	SV in %	CV in $	CV %	SPI	CPI
Current:	33,301	38,992	46,352	5,691	17.1%	(7,360)	-18.9%	1.17	0.84
Cumulative:	835,755	811,910	776,530	(23,845)	-2.9%	35,380	4.4%	0.97	1.05
	BAC	**EAC**	**VAC in $**	**VAC in %**	**CPI to BAC**	**CPI to EAC**			
At Complete:	1,275,328	1,275,328	0	0.0%	0.9	0.9			

Explanation of Variance/Description of Problem:

Current Period Schedule Variance: A favorable schedule variance occurs in the Direct Projects, specifically RL-13C.R1.2 (+$.8M), RL-30.R1.1 (+$5.5M), RL-30.R1.2 (+$1.9M) and RL-40.R1.1 (+$.2M), which is partially offset by the unfavorable schedule variances in RL11.R1 (-$1.2M), RL-13C.R1.1 (-$.5M), RL-40 R1.2 (-$.4M) and RL-41.R1.1 (-$.7M). For RL-11.R1 PFP D&D, the primary unfavorable variance occurs from shortage of D&D crews, difficulty and complexity associated with removing 234-5Z glovebox exhaust systems, which delays glovebox removal and miscellaneous 234-5Z D&D activities, and Leak Path Factor issues associated with 242-Z entry point. For RL-13C.R1.1 M/LLW Treatment, the primary unfavorable variance occurs due to shipment delays associated with external review of tie-down analysis (approved internally in December 2010) and other shipping authorizations. For RL-13C.R1.2 TRU Waste the primary favorable variance occurs due to an alignment of TRU Characterization & Shipping changing characterization goals consistent with the National TRU Accelerated Plan and characterization activities well above plan. For RL-30.R1.1 Groundwater Capital Assets, the primary favorable variance is due to a current period point adjustment from implementation of a change request in December 2010 for the 200W P&T Project construction schedule revision to incorporate the Issued for Construction (IFC) design drawing issuance. For RL-30.R1.2 Groundwater Operations, the primary favorable variance results from recovery of performance on the construction complex. For RL-40.R1.2, Outer Zone D&D, the primary unfavorable variance occurs from increased support for closeout of 600 Area ALE facilities and waste sites. For RL-41.R1.1 100K Area Remediation, the primary unfavorable variance resulted from 100-K Group 1 Remediation Waste Sites continued deferral of starting the AM Area work and KW Deactivation where the debris campaign continues to be on hold while the sludge sampling from containers 210 and 230 is occurring. RL-40.R1.1 U Plant/Other D&D variance is within reporting thresholds.

Current Period Cost Variance: The favorable cost variance occurs in RL-13C.R1.2 TRU Waste (+$1.3M) for implementation of the characterization goals consistent with aligning characterization goals to the National TRU Accelerated Plan and characterization activities well above plan without commensurate cost increases. The unfavorable cost variance occurred in: RL-30.R1.1 Groundwater Capital Assets(-$.7M), due to additional construction labor costs for the 200W P&T incorporation of IFC drawings and for the 100DX P&T ATP completion; RL-30.R1.2 Groundwater Operations (-$1.1M), primarily due to work extending the Construction Complex completion past the original schedule based on multiple contract changes to meet coding and permitting requirements; RL-40.R.1.1 U Plant/Other D&D (-$2.3M), from a correction to a prior month reversal of cost for the 600 class excavator; RL-40.R1.2 Outer Zone D&D (-$.8M), from weather related shutdowns; and RL-41.R1.1 100K Area Remediation (-$4.0M), primarily due to 100K Area Utilities Reroute labor and subcontract cost for power and water projects continuing into FY2011 with BCWS in FY2010 and KW Deactivation overtime for snow removal and required staffing over the holidays. RL-11.R1 PFP D&D and RL-13C.R1.1 MLLW Treatment variances are within reporting thresholds.

Cumulative Schedule Variance: An unfavorable cumulative schedule variance (-$23.8M) occurs primarily in RL-11.R1 PFP D&D (-$11.4M), where delays occurred resulting from safety stand-down and stop works, breathing air issues, Leak Path Factor issues associated with 242-Z entry point, ultra conservative application of the Surface Contaminated Object (SCO) process, additional time needed on chemical decontamination and the removal of external connections, and unplanned process vacuum mockup work to support application of new glovebag technique. For RL-13C.R1.1 MLLW Treatment, RL-13C.R1.2 TRU Waste, RL-30.R1.1 Groundwater Capital Assets (-$2,9M), 200W P&T start of fabrication on Long Lead Equipment procurements were delayed by late release of design., RL-30.R1.2 Groundwater Operations ($-2.6M), delays in the Construction Complex due to resource issues and late designs and stop work on well drilling., RL-40 R1.1 U Plant/Other D&D, RL-40.R1.2 Outer Zone D&D, and RL-41.R1.1 100K Area Remediation the variances are within reporting thresholds.

Cumulative Cost Variance: The favorable cumulative cost variance (+$35.4M) occurs in all Direct Projects supporting ARRA work scope except RL-13C.R1.2 TRU Waste and RL-30.R1.1 Groundwater Capital Assets where the unfavorable variances are within reporting thresholds. For the specifics on the variances in Direct Projects see Section A, Sections C through F of this Monthly Report.

FORMAT 5, DD FORM 2734/5, EXPLANATION AND PROBLEM ANALYSIS

Impact:

Current Period Schedule: For RL-40.R1.1, RL-40.R1.2 and RL-41.R1.1 the current period schedule impacts are the same as the CTD schedule impacts (see below). For RL-11R.1 minimal schedule impact this month. For RL-13C.R1.2 continued near term delays are anticipated in TRU Retrieval and Next Generation TRU Retrieval. However, recovery plans are being implemented for the CH TRU Retrieval issues associated with significantly deteriorated containers and the baseline will be updated to reflect the suspension of next generation processing equipment procurements. For RL-30.R1.1 the favorable schedule performance for the current period is largely driven by a point adjustment from the 200W Pump & Treat Issue for Construction schedule implementation BCR. For RL-30.R1.2 the favorable impact occurs in the maintenance facilities construction project for work completed this month that was planned in earlier months.

Current Period Cost: For RL-11.R1, RL-40.R1.2, RL-40.R1.1 and RL-13CR1.1 there is no significant cost impact for the current period. For RL-30.R1.1 and RL-30.R1.2, the unfavorable cost variances on the 100DX P&T, the 200W P&T and the capital EPC Construction/GPP S&GW will be monitored. For RL-41.R1.1 the unfavorable cost variances on the 100K Reactor Power/River Water isolation work and the KW Basin Deactivation vacuuming work will be monitored.

CTD Schedule: For RL-41.R1.1 100K River Water and Reactor Power Isolation delays ultimately delay structure demolition and waste site remediation. Additional soil contamination (realized risk) is beginning to impact the schedule. For RL-13C.R1.2 continued delays in the near term are anticipated in next generation CH TRU Retrieval, however, recovery plans are being implemented for the CH TRU Retrieval issues associated with significantly deteriorated containers. For RL-11R.1 D&D of 234-5Z process and lab areas is 5 months behind; however, a a recovery plan has been developed, which supports demolition ready by 9/30/11. For RL-30.R1.1 the negative schedule for the long lead equipment procurements for 200W P&T will be recovered by March 2011. For RL-30.R1.2 the Construction Complex is four months behind schedule. For RL-40.R1.1 D&D of U-plant Cell 30 is impacted by holdup material being greater than anticipated (realized risk) causing project re-evaluation and no progress being made; insulator shortage for asbestos abatement is slowing down completion; more soil contamination than expected (realized risk) and extensive regulatory reviews (realized risk) are delaying waste site remediation completion. For RL-40.R1.2 remediation of O-Zone waste there is no impact from the current positive schedule variance.

CTD Cost: For RL-40.R1.1 and RL-41.R1.1 there is overall positive cost impact due to project efficiencies. However, negative cost variances are increasing for waste site remediation (RL-40.R1.2) due to additional soil contamination removal (realized risk). There is no impact to cost for all other subprojects, except RL-13C.R1.2, which has increased costs due to CH TRU retrieval issues associated with significantly deteriorated containers and upset conditions. For RL-30.R1.1 variance will continue to be monitored. For RL-30.R1.2 Efficiencies in well drilling activities (NR-2 & HR-3) as well as multi-incremental sampling, borehole drilling, and landfill characterization activities have resulted in additional favorable cost variances. For RL-11.R1 a slight favorable variance at completion is being forecast.

Corrective Action:

Current Period Schedule: For RL-11.R1 implementation of Aspigel® for chemical decontamination was started in mid-December. Corrective actions are reflected in a recovery plan to be approved and implemented in a change request in January 2011 which supports Key Parameter & Performance metrics and TPA milestone baseline dates. For RL-40.R1.1, RL-40.R1.2 and RL-41.R1.1 the current period schedule corrective actions are the same as CTD schedule corrective actions (see below). For RL-40.R1.2 O-Zone RTD work will use overtime on field excavations as ERDF opens longer hours and assess methods to streamline documentation. For RL-30.R1.1 no corrective actions required. For RL-30.R1.2 No corrective actions are required for the current month positive schedule variance in well drilling activities as it is primarily related to implementation of BCR-PRC-10-054R0 “Changes in Execution Strategy.” For RL-13C.R1.1 MLLW, a recovery plan was implemented to align the timing and volumes of available feed with the TRU Retrieval Recovery plan (retrieval volumes and expected M/LLW fall out percentages) and additional feed from Large/RH repackaging.

Current Period Cost: For RL-11.R1 a recovery plan has been prepared and once approved will be incorporated into the baseline through a change request in January 2011; management reserve is planned to be applied where risks have been realized. For RL-30.R1.1 the 200W P&T cost variance is being evaluated and monitored. For RL-30.R1.2 no corrective actions required for the current month positive schedule variance as the favorable impact occurs in the maintenance facilities construction project for work completed this month that was planned in earlier months. For RL-41.R1.1 current period cost corrective actions are the same as the CTD cost corrective actions (see below). For RL-40.R1.1 U-Plant current cost variances can be covered by efficiencies in other D&D areas. For RL-40.R1.2 O-Zone Waste Site there is no required corrective action for the current period cost variance.

CTD Schedule: For RL-41.R1.1 change control, and REAs, will be used to address additional soil contamination required not originally priced in the contract. Schedule recovery actions are being evaluated to recover the 100K River Water and Reactor Power Isolation schedule. D&D structure demolition and waste site remediation activities are being accelerated where they can to offset where other demolition and remediation activities are delayed. For RL13C.R1.2 recovery plans are being implemented for the CH TRU Retrieval issues associated with deteriorated containers. For RL-11.R1 utilization of an additional decontamination agent (Aspigel®), additional overtime, leaving gloveboxes in place for removal during demolition, implementing a new containment approach, prioritizing and reassigning resources, outsourcing a portion of the TRU gloveboxes for treatment/size reduction, and application of the revised SCO process are expected to contribute to the gradual schedule recovery.. For RL-40.R1.2 O-Zone RTD work there is no required corrective action for the current period positive schedule variance. Also, insulators from other projects are being re-assigned to help recover schedule in D&D. For RL-40.R.1.1 D&D structure demolition activities are being accelerated where they can to offset where other demolition activities are delayed. For RL-30.R1.1 no corrective action required. For RL30.R1.2 efforts continue to work the contractors on the Construction Complex to improve performance and schedule.

CTD Cost: For RL-40.R1.2 no corrective actions are required. For RL-13C.R1.1 the favorable cost variance is expected to continue. For RL-30.R1.1 the 200W P&T cost variance is being evaluated and monitored. For RL-30.R1.2 efficiencies in well drilling activities (NR-2 & HR-3) as well as multi-incremental sampling, borehole drilling, and landfill characterization activities will remain requiring no corrective action at this time. For RL-11.R1 efficiencies expected from use of Aspigel®, new containment approach, revised SCO process, and leaving equipment in place for removal during demolition are expected to mitigate the increased staff/overtime required to mitigate schedule delays. For RL-13C.R1.2, RL-40.R1.1 and RL-41.R1.1 no corrective actions are required at this time.

Monthly Summary: (to include technical causes of VARs, Impacts, and Corrective Action(s):

FORMAT 5, DD FORM 2734/5, EXPLANATION AND PROBLEM ANALYSIS

All ARRA Subproject's cumulative to date cost and schedule variances are within reporting thresholds. Overall, the current period schedule and cost variances are mixed between favorable and unfavorable performance and the cumulative to date schedule variance has started to decrease while the favorable cost variance has continued to declined. RL-11.R1 PFP D&D delays resulting from safety stand-down and stop works, breathing air issues, ultra conservative application of the Surface Contaminated Object (SCO) process, staffing mix shortages, and unplanned process vacuum mockup work to support application of new glovebag techniques continues to impact both monthly and cumulative to date schedule variances however, the monthly and cumulative to date cost variances continue to be slightly positive for work completed. RL-13C.R1.1,MLLW Treatment unfavorable variance monthly and cumulative to date schedule variance have occurred due to shipments delayed due to internal/external review for approval of tie-down analysis, coupled with the receiving facility's inability to accept extra-large sized waste shipments pending building modifications and weather conditions. RL-13C.R1.2 TRU Waste, favorable monthly schedule variance reflects the recovery of TRU Characterization/Shipping planned in prior periods. RL-30.R1.1 Groundwater Capital Assets cumulative to date unfavorable schedule variances continues to reflect delays in procurement and construction of the ZP-1 P&T; however, the cumulative to date schedule and cost variances are within variance thresholds and there was a favorable monthly schedule variance this month. RL-30.R1.2 Groundwater Operations favorable monthly schedule variance continues to reflect recovery actions on the GPP S&GW/EPC construction complex which is improving the cumulative to date unfavorable schedule variance, but is eroding the favorable cumulative cost variance. RL-40.R.1.1 U Plant/Other D&D structure demolition activities current month cost variance is a result of weather related shutdowns causing a decline in the cumulative cost variance while the schedule variance has improved slightly. RL-40.R1.2 Outer Zone D&D monthly unfavorable cost and schedule variances resulting from increased support for closeout of 600 Area ALE facilities and waste sites and weather related shutdowns driving down the positive cumulative to date favorable cost and schedule variances. RL-41.R1.1 100K Area Remediation, unfavorable monthly schedule and cumulative schedule variance resulted from continuing 100K Area Utilities Reroute labor and subcontract cost for power and water projects into FY2011 with BCWS in FY2010 and delays in initiating 100-K Group 1 Remediation Waste Sites.

Contractually Required Cost, Schedule, EAC variance, Management Reserve Use

Major Difference in EAC: There is a slight ***reduction*** in the ARRA EAC this month over last month, specifically -$1.0M. This change occurs in PBS RL-0041 for deletion of the 100KE Reactor Core removal work scope from the performance measurement baseline as documented in change request BCR-PRC-11-010R0, "PMB Alignment to Contract Price Adjustment Request". While no management reserve is used due to realized risks in December 2010, the management reserve values for all ARRA Project Baseline Summaries (PBSs) are revised based on an updated risk profile for all PBS scope as defined in the PRC Baseline, Revision 2 Update (see change request BCR-PRC-10-053R0, dated September 10, 2010) and documented in Risk Results Report CHPRC-00598, Revision 1, dated October 2010. The overall change in ARRA management reserve in December 2010 is an ***increase*** of $0.6M, from $26.9M to $27.5M. A ***reduction*** to the ARRA EAC, between $0.7M to $6M, is anticipated next month depending on the number of change requests approved by the CHPRC Change Control Board.

Variance in Estimated Contract Budget Base at Completion: There is a slight reduction in the ARRA EAC this month over last month, specifically -$0.5M. As noted above, this change occurs as a result of two actions; (1) a reduction of $1.0M in PBS RL-0041 as documented in change request BCR-PRC-11-010R0, "PMB Alignment to Contract Price Adjustment Request", associated with the deletion of 100KE Reactor Core removal work scope from the PMB; and, (2) an increase in ARRA management reserve in the amount of $0.6M as documented in change request BCR-PRC-11-014R0, "Management Reserve Adjustment for PRC Baseline, Revision 2 Update". Contract modification 125, issued in September 2010, definitized all identified ARRA work scope into the contract and increased the contract budget base for ARRA work scope $109.4M above the $386.5M added in contract modification 108 (i.e., $1,305.1M above the original June 2008 contract budget base). However, the current PRC Baseline now includes $2.4M ***less*** ARRA work scope, including management reserve, than documented in contract modification 125. A ***reduction*** to the ARRA contract budget base EAC, between $6M to $12M, is anticipated next month depending on the number of change requests approved by the CHPRC Change Control Board.

Use of Management Reserve: While no management reserve is used in December 2010 as a result of realized risks, the management reserve values for all Project Baseline Summaries (PBSs) are revised based on an updated risk profile as documented in change request BCR-PRC-11-014R0, "Management Reserve Adjustment for PRC Baseline, Revision 2 Update". As noted above, the overall change in management reserve in December 2010 is an ***increase*** of $0.6M, from $26.9M to $27.5M.

Best/Worst/Most Likely Estimate: Like last month, there is no difference in the Best, Worst and Most Likely estimates at completion – all are equal. However, there is a change in the estimate values for December 2010 over November 2010 due to the implementation of change requests as discussed above in Major Difference in EAC.

Prepared by:	**Date:**	**Approved by:**	**Date:**
Schilling, Bert	1/25/11		

(1) = Trench Face Process System; (2) = Trench Face Retrieval & Characterization System; (3) = Remove, Treat and Dispose; (4) = Confirmatory Sampling/No Action; (5) Project Specific Distributables Rewards & Recognition Program; (6) Defense Contract Audit Agency