

Appendix A

Contract Performance Reports

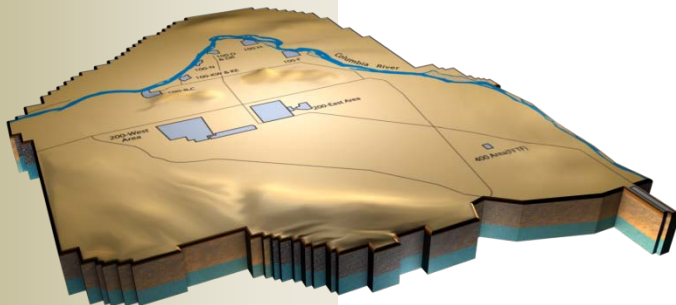
Format 1 - Work Breakdown Structure

Format 2 - Organizational Categories

Format 3 - Baseline

Format 4 - Staffing

Format 5 - Explanation and Problem Analysis



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

CONTRACT PERFORMANCE REPORT FORMAT 1 - WORK BREAKDOWN STRUCTURE													CLASSIFICATION (When Filled In)			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)																						
b. LOCATION (Address and ZIP Code) Richland, WA										b. NUMBER RL14788			b. PHASE			b. TO (YYYYMMDD)																						
										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																						
		5,100.351		1,506.280		247.344		5,347.695		6,910.709		5,347.695		6,910.709																								
6. ESTIMATED COST AT COMPLETION										7. AUTHORIZED CONTRACTOR REPRESENTATIVE																												
										a. NAME (Last, First, Middle Initial) Bang, M.V.				b. TITLE Prime Contract Manager																								
										c. SIGNATURE				d. DATE SIGNED (YYYYMMDD) 2010/11/30																								
8. PERFORMANCE DATA																																						
WBS[1]										CURRENT PERIOD				CUMULATIVE TO DATE				REPROGRAMMING ADJUSTMENTS			AT COMPLETION																	
										BUDGETED COST		ACTUAL COST		VARIANCE		BUDGETED COST		ACTUAL COST		VARIANCE																		
										WORK SCHEDULED		WORK PERFORMED		SCHEDULE		WORK SCHEDULED		WORK PERFORMED		SCHEDULE		COST VARIANCE		SCHEDULE VARIANCE	BUDGET	BUDGETED		ESTIMATED	VARIANCE									
										(2)		(3)		(4)		(5)		(6)		(7)		(8)		(9)		(10)		(11)		(12a)		(12b)	(13)	(14)		(15)	(16)	
011 RL-11 NM Stabilization and Disposition PFP										5,565		11,972		9,832		6,407		2,139		285,548		276,835		267,882		(8,713)		8,954		0		0	0	604,235		604,235	0	
012 RL-12 SNF Stabilization and Disposition										5,013		4,756		4,687		70		175,932		172,483		178,332		(3,449)		(5,849)		0		0	0	580,116		580,116	0			
013 RL-13 Solid Waste Stabilization & Disposition										12,312		13,107		12,465		795		642		400,112		395,295		397,160		(4,817)		(1,866)		0		0	0	1,891,234		1,891,234	0	
030 RL-30 Soil & Wtr Remediatn Grndwtr/Vadose Zone										19,946		20,751		25,932		805		(5,181)		414,639		395,810		385,471		(18,829)		10,339		0		0	0	1,491,091		1,491,091	0	
040 RL-40 Nuclear Facility D&D Remainder of Hanford										8,616		9,870		9,329		1,253		540		227,589		224,022		195,698		(3,567)		28,324		0		0	0	1,264,442		1,264,442	0	
041 RL-41 Nuclear Facility D&D - River Corridor										7,589		4,414		7,397		(3,175)		(2,983)		158,545		162,588		152,404		4,043		10,184		0		0	0	549,627		549,627	0	
042 RL-42 FTF Closure										106		106		56		0		50		10,225		10,225		9,436		0		789		0		0	0	25,177		25,177	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		0		0		0		0		0		0		0		0	0	0	0		0	0		
e. Sub Total										59,147		64,975		69,698		5,829		(4,722)		1,672,590		1,637,257		1,586,383		(35,333)		50,874		0		0	0	6,405,922		6,405,922	0	
f. Management Reserve										0		0		0		0		0		0		0		0		0		0		0		0	0	0	200,709		200,709	0
g. Total										59,147		64,975		69,698		5,829		(4,722)		1,672,590		1,637,257		1,586,383		(35,333)		50,874		0		0	0	6,606,631		6,606,631	0	
9. Reconciliation to CBB																																						
a. Variance Adjustment																																						
b. Total Contract Variance																																						

FORMAT 2, DD FORM 2734/2, ORGANIZATIONAL CATEGORIES

CLASSIFICATION (When Filled In)

CONTRACT PERFORMANCE REPORT FORMAT 2 - ORGANIZATIONAL CATEGORIES											DOLLARS IN <u> </u> 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)				
b. LOCATION (Address and ZIP Code) Richland, WA				b. NUMBER RL14788				b. PHASE				2010 / 10 / 01				
				c. TYPE CPAF				d. SHARE RATIO				b. TO (YYYYMMDD) 2010 / 10 / 24				
								e. EVMS ACCEPTANCE NO YES X				9/18/2009				
5. PERFORMANCE DATA																
FOC ITEM (1)	CURRENT PERIOD					CUMULATIVE TO DATE					REPROGRAMMING ADJUSTMENTS			AT COMPLETION		
	BUDGETED COST		ACTUAL COST	VARIANCE		BUDGETED COST		ACTUAL COST	VARIANCE		COST VARIANCE (12a)	SCHEDULE VARIANCE (12b)	BUDGET (13)	BUDGETED (14)	ESTIMATED (15)	VARIANCE (16)
	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)						
30A - Project Services & Support																
011.A - Proj Services & Support	1,550	1,550	1,074	0	476	40,507	40,507	36,050	0	4,458	0	0	0	89,385	89,385	0
580	580	580	527	0	53	20,533	20,533	20,426	0	108	0	0	0	87,131	87,131	0
013.A - Proj Services & Support	1,805	1,805	1,367	0	438	53,330	53,330	50,320	0	3,010	0	0	0	305,690	305,690	0
030.A - Proj Services & Support	1,362	1,362	2,088	0	(727)	44,081	44,081	42,358	0	1,724	0	0	0	199,563	199,563	0
040.A - Proj Services & Support	1,262	1,262	1,029	0	234	31,020	31,020	23,470	0	7,550	0	0	0	199,305	199,305	0
041.A - Proj Services & Support	896	896	797	0	100	21,256	21,256	19,319	0	1,937	0	0	0	87,273	87,273	0
042.A - Proj Services & Support	14	14	6	0	8	1,460	1,460	1,323	0	137	0	0	0	4,101	4,101	0
	7,468	7,468	6,887	0	581	212,188	212,188	193,265	0	18,924	0	0	0	972,448	972,448	0
30B - WBS 98 PSD Distribution																
011.A1 - Project Specific Distributables	136	136	230	0	(94)	14,536	14,536	15,079	0	(543)	0	0	0	16,561	16,561	0
013.A1 - Project Specific Distributables	141	141	202	0	(61)	8,547	8,547	12,569	0	(4,023)	0	0	0	10,645	10,645	0
030.A1 - Project Specific Distributables	89	89	454	0	(365)	6,846	6,846	8,058	0	(1,213)	0	0	0	8,173	8,173	0
040.A1 - Project Specific Distributables	185	185	248	0	(63)	17,426	17,426	15,619	0	1,807	0	0	0	20,184	20,184	0
041.A1 - Project Specific Distributables	103	103	152	0	(49)	10,623	10,623	9,290	0	1,333	0	0	0	12,155	12,155	0
	654	654	1,287	0	(633)	57,978	57,978	60,617	0	(2,639)	0	0	0	67,718	67,718	0
30C - WBS 98 R&RP Distribution																
011.A2 - PSD R & RP	0	0	0	0	0	950	950	1,183	0	(233)	0	0	0	950	950	0
013.A2 - PSD R&RP	0	0	0	0	0	1,132	1,132	2,205	0	(1,073)	0	0	0	1,132	1,132	0
030.A2 - PSD R&RP	0	0	0	0	0	989	989	3,034	0	(2,044)	0	0	0	989	989	0
040.A2 - PSD R&RP	0	0	0	0	0	1,076	1,076	678	0	398	0	0	0	1,076	1,076	0
041.A2 - PSD R&RP	0	0	0	0	0	854	854	581	0	273	0	0	0	854	854	0
	0	0	0	0	0	5,000	5,000	7,680	0	(2,680)	0	0	0	5,000	5,000	0
34 - Environmental Prog & Regulatory Mgmt																
030.2 - Envr Prog & Regl Mgt	766	783	948	16	(165)	21,758	21,738	20,998	(20)	740	0	0	0	67,051	67,051	0
	766	783	948	16	(165)	21,758	21,738	20,998	(20)	740	0	0	0	67,051	67,051	0
35 - Business Services & Project Controls																
012.3 - Transition (PTB)	0	0	0	0	0	21,768	21,768	21,768	0	0	0	0	0	21,768	21,768	0
030.9F - Ramp Up/Transition - Fac	83	1,776	1,744	1,692	32	21,802	17,162	15,105	(4,640)	2,058	0	0	0	23,045	23,045	0
	83	1,776	1,744	1,692	32	43,570	38,930	36,873	(4,640)	2,058	0	0	0	44,813	44,813	0
3A - 100K Area Project																
012.1 - 100 K Area Project	1,545	1,545	1,444	0	101	61,253	61,253	65,926	0	(4,672)	0	0	0	203,403	203,403	0
012.2 - Sludge Treatment Project	2,887	2,631	2,716	(256)	(85)	72,378	68,928	68,857	(3,449)	71	0	0	0	267,813	267,813	0
040.1 - PRC D&D	4,623	4,464	3,918	(159)	546	139,482	134,774	122,915	(4,708)	11,859	0	0	0	492,682	492,682	0
041.1 - River Zone	2,984	2,652	4,101	(332)	(1,449)	94,430	91,926	100,068	(2,503)	(8,142)	0	0	0	350,579	350,579	0
042.1 - FFFTF	92	92	49	0	43	8,765	8,765	8,092	0	673	0	0	0	21,075	21,075	0
	12,132	11,385	12,228	(747)	(843)	376,307	365,646	365,857	(10,661)	(211)	0	0	0	1,335,552	1,335,552	0
3B - PFP Closure, BOS & Infrastructure																
011.1 - Plutonium Finishing Plant	3,880	10,286	8,529	6,407	1,758	229,555	220,842	215,569	(8,713)	5,273	0	0	0	497,339	497,339	0
	3,880	10,286	8,529	6,407	1,758	229,555	220,842	215,569	(8,713)	5,273	0	0	0	497,339	497,339	0
3C - Waste & Fuels Management Project																
013.1 - Waste Management	10,350	11,036	10,508	686	528	326,343	321,636	322,795	(4,707)	(1,159)	0	0	0	1,545,416	1,545,416	0
	10,350	11,036	10,508	686	528	326,343	321,636	322,795	(4,707)	-1,159	0	0	0	1,545,416	1,545,416	0
3D - Soil & Groundwater Remediation																
030.1 - Soil & GW Remediation	8,950	7,593	8,652	(1,356)	(1,058)	220,355	213,085	202,725	(7,270)	10,360	0	0	0	927,122	927,122	0
040.2 - D&D Fac Waste Site Remediation	2,545	3,958	4,135	1,413	(177)	38,585	39,726	33,016	1,141	6,709	0	0	0	551,195	551,195	0
041.3 - Waste Sites	3,606	763	2,347	(2,844)	(1,584)	31,382	37,929	23,146	6,546	14,783	0	0	0	98,767	98,767	0
	15,102	12,314	15,134	(2,788)	(2,820)	290,323	290,739	258,887	416	31,852	0	0	0	1,577,084	1,577,084	0
3F - Engineering, Procurement & Construction Proj																
013.2 - SNF Disposition	16	125	388	109	(262)	10,760	10,650	9,271	(110)	1,378	0	0	0	28,351	28,351	0
030.3 - EPC - Groundwater	8,695	9,148	12,046	453	(2,897)	98,807	91,909	93,194	(6,899)	(1,285)	0	0	0	265,148	265,148	0
	8,712	9,274	12,433	562	(3,160)	109,567	102,558	102,465	-7,009	94	0	0	0	293,499	293,499	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	0	0	0	0	0	0	0	0	0	0	0	0	0
e. Sub Total	59,147	64,975	69,698	5,829	(4,722)	1,672,590	1,637,257	1,585,006	(35,333)	52,251	0	0	0	6,405,922	6,405,922	0
f. Management Resrv.																
g. Total	59,147	64,975	69,698	5,829	(4,722)	1,672,590	1,637,257	1,585,006	(35,333)	52,251	0	0	0	6,606,631	6,606,631	0

FORMAT 3, DD FORM 2734/3, BASELINE

CONTRACT PERFORMANCE REPORT											DOLLARS IN THOUSANDS				Form Approved OMB No. 0704-0188			
1. CONTRACTOR			2. CONTRACT				3. PROGRAM				4. REPORT PERIOD							
CH2M HILL Plateau Remediation Company			a. NAME: Plateau Remediation Contract				a. NAME: Plateau Remediation Contract				a. FROM: 2010/10/01							
b. LOCATION: Richland, WA			b. NUMBER: RL14788				b. PHASE				b. TO: 2010/10/24							
			c. TYPE: CPAF				c. EVMS ACCEPTANCE											
			d. SHARE RATIO:				NO YES X 9/18/2009											
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)					
4,312,366			\$1,035,328		\$5,347,694		\$1,506,342		\$6,854,037		\$6,854,037		\$0					
h. CONTRACT START DATE 6/19/2008			i. DEFINITIZATION DATE 6/19/2008		j. PLANNED COMPL DATE 9/30/2018		k. CONT COMPLETION DATE 9/30/2018		l. EST COMPLETION DATE 9/30/2018									
6. PERFORMANCE DATA											BUDGETED COST FOR WORK SCHEDULED (NON - CUMULATIVE)							
ITEM (1)	BCWS CUM TO DATE (2)	BCWS FOR REPORT PERIOD (3)	SIX MONTH FORECAST						FY09 (10)	FY10 (11)	FY11 (12)	FY12 (13)	OUT YEARS (14)	UNDISTRIB BUDGET (15)	TOTAL BUDGET (16)			
			+1 Nov-10 (4)	+2 Dec-10 (5)	+3 Jan-11 (6)	+4 Feb-11 (7)	+5 Mar-11 (8)	+6 Apr-11 (9)										
a. PM BASELINE (BEGIN OF PERIOD)	1,678,359	64,915	84,672	84,795	79,285	86,095	107,974	82,255	653,426	960,017	1,036,509	693,843	3,062,189	0	6,405,984			
b. BASELINE CHANGES AUTH DURING REPORT PERIOD																		
AWA-PRC-11-006R0 Further Work Scope Alignment to Contract Modification 095										0	1,878	(4,373)	(5,689)		(8,183)			
BCR-030-10-020R0 Background Calculations, RL Change Order #73									0	731	317	33			1,081			
BCR-040-10-005R0 Disposition of B Plant and REDOX Water Towers									0	255	0	0			255			
BCR-PRC-10-059R0 Plutonium Reclamation Facility (PRF) Pencil Tank Re-plan									0	(12,232)	(4,030)	0			(16,262)			
BCR-PRC-11-003R0 Incorporate Revised Labor, Non-Labor and Escalation Rates									0	(17,400)	(7,174)	47,809			23,235			
BCR-R40-10-012R0 Delete Duplicate RTD of Waste Site UPR-200-W-34, RL-40									0	(188)	0	0			(188)			
BCRA-000-11-001R0 FOC & Sub-Project Group Changes to Indirect Accounts									0	0	0	0			0			
BCRA-011-11-001R0 Change in EVMS Methodology									0	0	0	0			0			
BCRA-PRC-11-004R0 FOC and Other Administrative Changes, October 2010									0	0	0	0			0			
c. PM BASELINE (END OF PERIOD)	1,672,590		82,892	83,261	78,116	85,037	105,704	80,057	653,426	960,017	1,009,552	678,583	3,104,343	0	6,405,922			
z. MANAGEMENT RESERVE															200,709			
8. TOTAL															6,606,631			

CLASSIFICATION (When Filled In)

CONTRACT PERFORMANCE REPORT FORMAT 4 - STAFFING											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 / 10 / 01				
b. LOCATION (Address and ZIP Code) Richland, WA			b. NUMBER RL14788				b. PHASE				b. TO (YYYYMMDD) 2010 / 10 / 24				
			c. TYPE CPAF		d. SHARE RATIO		c. EVMS ACCEPTANCE NO								
5. PERFORMANCE DATA (All figures in whole numbers of equivalent month. One equivalent month equals on person working one month)															
FOC Group by FOC ITEM (1)	ACTUAL CURRENT PERIOD (2)	ACTUAL END OF CURRENT PERIOD (Cumulative) (3)	FORECAST (Non-Cumulative)											AT COMPLETION (15)	
			SIX MONTH FORECAST						SPECIFIED PERIODS						
			+1 Nov (4)	+2 Dec (5)	+3 Jan (6)	+4 Feb (7)	+5 Mar (8)	+6 Apr (9)	Remainder FY11 (10)	FY12 (11)	FY13 (12)	FY14-18 (13)			
30B - WBS 98 PSD Distribution															
011.A1 - Project Specific Distributables	0	1	0	0	0	0	0	0	0	0	0	0	0	0	1
013.A1 - Project Specific Distributables	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
030.A1 - Project Specific Distributables	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
040.A1 - Project Specific Distributables	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0	1	0	0	0	0	0	0	0	0	0	0	0	0	1
31 - Communications & Outreach															
000.1 - Communications & Outreach	18	280	15	15	15	15	15	15	15	75	101	81	22	649	
	18	280	15	15	15	15	15	15	15	75	101	81	22	649	
32 - Safety, Health, Security & Quality															
000.2 - Safety,Health,Security/Quality	140	2,224	109	109	107	106	106	106	106	530	770	608	165	4,939	
	140	2,224	109	109	107	106	106	106	106	530	770	608	165	4,939	
34 - Environmental Prog & Regulatory Mgmt															
000.4 - Environmental Prog & Regl Mgt	25	629	27	27	27	27	27	27	27	141	321	255	69	1,579	
030.2 - Envr Prog & Regl Mgt	38	870	51	51	51	51	50	35	174	446	305	87	2,171		
	63	1,500	78	78	78	78	77	62	314	767	561	156	3,750		
35 - Business Services & Project Controls															
000.5 - Business Servs & Proj Controls (G&A/DD)	153	3,231	140	140	140	140	140	140	698	1,224	975	264	7,229		
000.6A - Expense PSD	0	994	1	1	1	1	1	1	6	0	0	0	1,008		
000.6B - Capital Related PSD	7	250	0	0	0	0	0	0	0	0	0	0	250		
000.P1 - IRM	21	313	17	17	17	17	17	17	83	133	132	48	807		
011.9T - Ramp Up/Transition - Training	0	15	0	0	0	0	0	0	0	0	0	0	15		
013.9F - Ramp Up/Transition - Fac	0	1	0	0	0	0	0	0	0	0	0	0	1		
013.9T - Ramp Up/Transition - Training	0	11	0	0	0	0	0	0	0	0	0	0	11		
030.9F - Ramp Up/Transition - Fac	19	172	0	0	0	0	0	0	0	0	0	0	172		
030.9T - Ramp Up/Transition - Training	0	7	0	0	0	0	0	0	0	0	0	0	7		
040.9F - Ramp Up/Transition - Fac	0	2	0	0	0	0	0	0	0	0	0	0	2		
040.9T - Ramp Up/Transition - Training	0	18	0	0	0	0	0	0	0	0	0	0	18		
041.9F - Ramp Up/Transition - Fac	0	1	0	0	0	0	0	0	0	0	0	0	1		
041.9T - Ramp Up/Transition - Training	0	13	0	0	0	0	0	0	0	0	0	0	13		
	200	5,028	157	157	157	157	157	157	786	1,357	1,107	312	9,533		
3A - 100K Area Project & BOS D&D															
012.1 - 100 K Area Project	112	3,709	139	139	139	139	139	128	629	1,518	1,484	186	8,346		
012.2 - Sludge Treatment Project	116	2,692	160	164	141	144	147	113	810	1,460	637	31	6,497		
040.1 - PRC D&D	284	5,688	319	322	335	350	342	350	1,648	4,107	4,752	709	18,921		
041.1 - River Zone	208	2,872	213	208	219	226	232	228	953	764	546	216	6,678		
042.1 - FFTF	6	500	7	7	7	7	7	7	35	83	83	34	776		
	725	15,461	837	840	840	865	866	826	4,074	7,932	7,502	1,176	41,219		
3B - PFP Closure															
011.1 - Plutonium Finishing Plant	673	13,772	717	722	709	712	713	719	3,673	6,723	1,239	1	29,700		
	673	13,772	717	722	709	712	713	719	3,673	6,723	1,239	1	29,700		
3C - Waste & Fuels Management Project															
013.1 - Waste Management	864	17,907	882	883	876	879	891	868	4,406	8,222	7,307	2,541	45,663		
013.3 - Solid Waste Variable	22	274	62	62	62	62	62	62	310	951	99	22	2,027		
	886	18,181	944	945	938	941	953	930	4,716	9,173	7,407	2,563	47,691		
3D - Soil & Groundwater Remediation															
030.1 - Soil & GW Remediation	398	8,384	469	448	461	478	466	423	1,920	5,043	4,228	1,467	23,786		
040.2 - D&D Fac Waste Site Remediation	69	735	57	68	66	74	64	49	200	1,132	1,194	411	4,049		
041.3 - Waste Sites	32	510	65	57	53	38	32	29	129	279	178	84	1,453		
	499	9,629	590	573	579	589	562	501	2,249	6,454	5,600	1,962	29,289		
3F - Engineering, Procurement & Construction Proj															
000.F - Eng/Procurement & Construction	39	559	30	30	30	30	30	30	149	213	170	46	1,314		
013.2 - SNF Disposition	8	221	1	1	1	1	1	1	7	56	34	53	378		
030.3 - EPC - Groundwater	127	939	107	105	101	103	100	75	424	349	225	15	2,543		
	174	1,720	138	136	132	134	131	106	579	618	428	113	4,235		
Grand Totals:	3,377	67,796	3,586	3,575	3,556	3,597	3,580	3,422	16,997	33,894	24,533	6,470	171,006		

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Explanation of Variance/Description of Problem (Continued):
<p>Cumulative Cost Variance: The significant favorable cumulative cost variance, (+\$50.9M), occurs in three primary areas: (1) Favorable cost variances (+\$38.6M) in direct projects, specifically PBSs RL-11, RL-30, RL-40, RL-41 and RL-42; (2) Favorable G&A/DD distribution variances (+\$16.4M) resulting from lower than expected G&A costs due to company level and Other Hanford Pass-back, lower assessments from MSA for Other Provided Services to PRC and a labor underrun in project support staff related to ARRA ramp-up; and, (3) Unfavorable PSD Distribution (-\$6.7M) due to the final liquidation of indirect FY 2010 costs to the projects, including yearend pass backs, final accruals and any year end cost corrections. For the specifics on the favorable variances in Direct Projects see Sections A through G of this Monthly Report. For specifics on favorable variances in G&A and Direct Distributables see Appendix C.</p>
Impact:
<p>Current Period Schedule: For PBS RL-11 a 3-month impact to the completion of demolition ready (9/30/12) is forecast due primarily to the recent safety stand-down and two stop works associated with beryllium control areas and increased safety incidents. A recovery plan has been developed. For PBS RL-40 the primary impacts occur in the start of field work on several O-Zone RTD sites and U-Plant D&D activities. For PBSs RL-40 and RL-41, current period schedule impacts are the same as the CTD schedule impacts (see below). For PBS RL-12 the updated planning for the revised MCO subcontract and IWTS/MCO system upgrades generated the current month positive variance. For PBS RL-30 the primary favorable impacts occur on the Construction Complex construction activities and HX construction offset by Regulatory Decisions and Closure projects. No impact to contract completion is expected at this time. For PBS RL-13 there is no current impact.</p> <p>Current Period Cost: For RL-12, the additional cost of electrical upgrades for MASF were more than budgeted, now that the test articles are positioned. Overall there is no impact to the PBS due to these additional costs. For PBS RL-11 labor costs will increase due to overtime utilization to recover schedule on D&D of PRF, 234-5Z Active RMA/RMC lines and the labs due primarily to the recent safety stand-down and two stop works associated with beryllium control areas and increased safety incidents. For PBS RL-40, U-Ancillary project is using more resources than planned to recover schedule, at 212 N/P/R, more demolition debris than planned was disposed of at ERDF resulting in higher than anticipated disposal costs. Both are offset by efficiencies in other areas and no long-term impact is expected. Also, remediating more soil than planned has increased costs, as have regulatory review delays. For PBS RL-41 more difficult KW Deactivation vacuuming activities, delays in 105KE Reactor demolition preparation, and 100K River Waste & Reactor Power Isolation subcontractor change orders are driving the current cost variance. Minimal impact is expected due to the overall positive variance. The PBS RL-30 cost underruns in the DX project and other efficiencies throughout the project are expected to continue and will be funds managed to cover areas of overrun. In addition, an offset to the current period under run for RL-30 is an overrun in drilling activities resulting from a management directed sampling stand down and will be not continue as work is resumed.</p> <p>CTD Schedule: For PBS RL-30 the impacts occur in the construction projects, specifically the ZP-1 and the maintenance construction complex. No major project completion impacts are expected at this time. For PBS RL-40 finalizing the grouting contract for U-Canyon; delays with 200E Admin Buildings; delays with turnover of ALE facilities; more soil contamination than expected (realized risk) and extensive regulatory reviews (realized risk) are delaying waste site remediation completion. For RL-41, 100K River Water and Reactor Power Isolation delays could ultimately delay structure demolition and waste site remediation. Additional soil contamination (realized risk) is beginning to impact the schedule. For PBS RL-13, continued delays in the near term are anticipated in next generation CH TRU Retrieval. Recovery plans are in development for the CH TRU Retrieval issues associated with deteriorated containers. For CCP TRU Characterization program a recovery plan has been developed and full implementation is expected in December, 2010. For PBS RL-11 a 3-month impact to the completion of demolition ready (9/30/12) is forecast due primarily to the recent safety stand-down and two stop works associated with beryllium control areas and increased safety incidents. A recovery plan has been developed and completion of slab-on-grade by 9/30/13 is still anticipated. For PBS RL-12 there is no CTD impact to the STP Project critical path, now that the MCO proficiency run has completed, and the vacuuming of the basin floor and pits are complete.</p> <p>CTD Cost: For all PBSs, except RL-12, there is an overall positive cost impact due to project efficiencies. However, negative cost variances are increasing for waste site remediation due to additional soil contamination removal (realized risk). There is no impact to cost for all other PBSs, except PBS RL-12, which had increased costs due to greater contamination removal required on the KE Basin Substructure (now complete) and in KW Operations due to increased staffing in FY 2009, both of which are costs that will not recover further. The PBS RL-30 cost underruns in the DX project and other efficiencies throughout the project are expected to continue and will be funds managed to cover areas of overrun. For RL-11 a favorable variance at completion is still forecast.</p>
Corrective Action:
<p>Current Period Schedule: For PBS RL-11 overtime is being used to recover schedule on D&D activities along with specific recovery actions in many D&D and support areas, such as enhanced SCO process, new routes for direct loading of large equipment, Aspigel for chemical decontamination, transition to PAPR⁽⁵⁾ vs supplied fresh air in 242-Z, in-situ size reduction in labs, et cetera. For PBS RL-12, the MCO proficiency runs were completed in September and sampling on EC-230 (Settler sludge) commenced, and vacuuming of the basin floor and pits is expected to complete in early October. For PBSs RL-40 and RL-41 the current period schedule corrective actions are the same as CTD schedule corrective actions (see below). For PBS RL-30 the primary corrective action is a new strategy for the procurement of long lead equipment through a central contractor, which has now been implemented. For PBS RL-13 no corrective action required.</p> <p>Current Period Cost: For PBS RL-40 and RL-41 D&D, current cost variances are covered by efficiencies in other D&D areas. O-Zone Waste Site remediation current cost variances are favorable; no corrective action required. For PBS RL-30 an offset to the current period under run is an overrun in drilling activities resulting a management directed sampling stand down which will not continue as work is resumed. No cost corrective actions are required for PBSs RL-12 and RL-13. For RL-11, a reduction to the balance of waste volumes/waste disposal costs has been identified. This reduction, documented in a change request, approved and implemented in September 2010, more than offset the increased costs for overtime to recovery schedule.</p> <p>CTD Schedule: For PBS RL-30 the primary corrective action is a new strategy for the procurement of long lead equipment through a central contractor. For PBS RL-40 insulators and other resources from other projects are being re-assigned to help recover schedule; additional management attention is focused on grouting contract for U-Canyon finalization and 209E project execution. For PBS RL-41 change control, and REAs, will be used to address additional soil contamination required not originally priced in the contract. Schedule recovery actions are being explored 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 PBS RL-11 a 3-month impact to the completion of demolition ready (9/30/12) is forecast due primarily to the recent safety stand-down and two stop works associated with beryllium control areas and increased safety incidents. A recovery plan has been developed and completion of slab-on-grade by 9/30/13 is still anticipated. For PBS RL-13 recovery plans are being implemented for the CH TRU Retrieval issues associated with deteriorated containers. For PBS RL-12,</p>

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Settler sludge sampling has been initiated and Engineered Container sludge construction and sampling operations will commence upon completion of the Settler Tank sludge sampling activities. In addition, BCR PRC-010-053R0 that updates the KOP activities per the DOE O 413.3A process, will correct some of these variances as the project moves from Conceptual Design phase into the Preliminary Design phase.

CTD Cost: For PBS RL-40 no corrective actions are required at this time. For PBS RL-41 change requests and REAs are being prepared to address additional soil contamination efforts not priced in the original contract. No corrective actions are required for D&D. For PBS RL-13 the favorable cost variance is expected to continue. For PBS RL-30 the project is evaluating how forecast underruns can be best utilized to complete critical project work scope. For PBS RL-12, no corrective actions are required as this is mostly FY 2009 actuals in the project area and the allocations were FY10 distributions. Also, a cost transfer to PBS RL-41 K West Basin Debris removal was considered and deemed unnecessary. For PBS RL-11, a reduction to the balance of waste volumes/waste disposal costs has been identified. This reduction, documented in a change request, approved and implemented in September 2010, has more than offset the increased costs for overtime to recovery schedule.

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

Overall, the current period schedule and cost variances are essentially due to the Direct Projects' schedule and cost performance for the month of October 2010. Contract to date variances occur in all PBSs, except PBS RL-42, are discussed above. For PBS RL13 recovery plans for the CH TRU Retrieval issues were approved and incorporated at year end. For PBS RL-40, O-Zone RTD work received a favorable ERDF year end passback and is using overtime on field excavations as ERDF opens longer hours and assess methods to streamline documentation. Insulators and other resources from other projects are being re-assigned to help recover schedule; additional management attention is focused on grouting contract for U-Canyon finalization and the 209E project execution. For PBS RL-41 change control, and REAs, is being used to address additional soil contamination required not originally priced in the contract. Schedule recovery actions are being explored 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 PBS RL-12, the updated planning to the KnockOut Pot project (via BCR) created the current month variance. For PBS RL-11 a 3-month impact to the completion of demolition ready (9/30/12) is forecast due primarily to the recent safety stand-down and two stop works associated with beryllium control areas and increased safety incidents. A recovery plan has been developed and completion of slab-on-grade by 9/30/13 is still anticipated. For PBS RL-30 the primary corrective action is a new strategy for the procurement of long lead equipment through a central contractor. The favorable contract to date cost variance for all direct projects, with the exception of PBSs RL-12 and possibly RL-13, is anticipated to continue into FY 2011. The primary source of the favorable cost variance (89%) occurs in the accelerated ARRA work scope in the direct projects, or PBSs RL-11, RL-13, RL-30, RL-40 and RL-41.

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

Major Difference in EAC: The change in the EAC this month is different than the increase anticipated last month due to changes required by the CHPRC Change Control Board on submitted change requests. As a result, there is a slight reduction in the EAC this month over last month, specifically -\$0.1M. While there are significant increases and decreases, the overall change in EAC is minor. The change occurs primarily from four (4) actions: (1) RL directed changes to begin activities necessary to implement TPA changes identified within the Tentative Agreement Implementing Changes to Central Plateau Cleanup, signed March 29, 2010, per contract modification 095 (reduction of \$8.2M) per advanced work authorization AWA-PRC-11-006R0; (2) RL concurrence to incorporate revised labor, solid waste and escalation rates into the PRC Baseline based RL FY 2012 budget guidance (increase of \$23.2M) per change request BCR-PRC-11-003R0; (3) CHPRC estimate revision on the remaining work associated with D&D of the Plutonium Reclamation Facility (PRF) to reflect the change from remote to manual size reduction of pencil tank assemblies (reduction of \$16.3M) per change request BCR-PRC-10-059R0; and, (4) RL directed change for CHPRC to provide updated calculation of soil background concentrations per contract modification 112, Change Order #73 (increase of \$1.1M) per change request BCR-030-10-020R0. No management reserve is used in October 2010. A reduction to the EAC of approximately -\$6M is anticipated next month, depending on approval of identified changes.

Variance in Estimated Contract Budget Base at Completion: There is a change in the estimated contract budget base at completion over last month, specifically a reduction of \$0.1M. This change occurs primarily from four actions as described above in the "Major Difference in EAC". No management reserve is used in October 2010. Contract modification 125, issued in September 2010, definitized all identified ARRA work scope into the contract and increased the contract budget base \$85.9M (i.e., \$787.9M additional scope has been definitized into the contract thru contract modification 125 over the original June 2008 contract budget base). The current PRC Baseline does include more work scope, primarily Base work scope, than definitized into the contract through contact modification 125. Since all of the work scope documented in the PRC Baseline has not yet been approved by RL for definitization into the contract, there is a variance at completion over the current contract budget base. A reduction to the estimated contract budget base of approximately \$6M is anticipated next month depending on the approval of identified changes.

Use of Management Reserve: No management reserve is used in October 2010; the management reserve value remains at \$200.7M.

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 October 2010 over September 2010 due to implementation of change requests as discussed above in Major Difference in EAC.

Prepared by: Schilling, Bert	Date: 11/30/10	Approved by:	Date:
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(1) = Trench Face Process System; (2) = Trench Face Retrieval & Characterization System; (3) PSD R&RP = Project Specific Distributables Rewards & Recognition Program; (4) DCAA = Defense Contract Audit Agency; (5) Powered Air Purifying Respirator; (6) Maintenance and Storage Facility (MASF)