

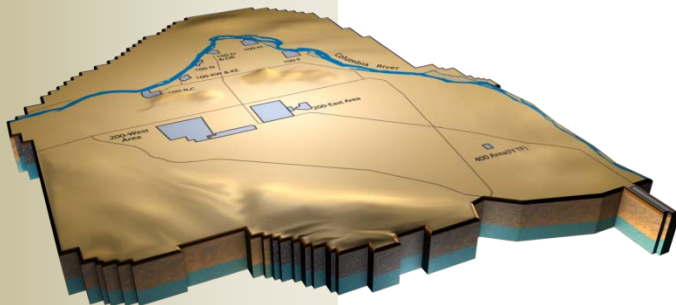
# Appendix A-1

## Contract Performance Reports ARRA

Format 1 - Work Breakdown Structure

Format 3 - Baseline

Format 5 - Explanation and Problem Analysis



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

CONTRACT PERFORMANCE REPORT													CLASSIFICATION (When Filled In)																																	
FORMAT 1 - WORK BREAKDOWN STRUCTURE													DOLLARS IN Thousands of \$																																	
1. CONTRACTOR													FORM APPROVED																																	
a. NAME													OMB No. 0704-0188																																	
CH2M HILL Plateau Remediation Company													4. REPORT PERIOD																																	
b. LOCATION (Address and ZIP Code)													a. FROM (YYYYMMDD)																																	
Richland, WA													2010 / 08 / 23																																	
c. TYPE													b. TO (YYYYMMDD)																																	
CPAF													2010 / 09 / 30																																	
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		9,363		70,807		1,375,998		1,386,695		1,375,998		1,386,695																															
6. ESTIMATED COST AT COMPLETION													7. AUTHORIZED CONTRACTOR REPRESENTATIVE																																	
a. BEST CASE			b. WORST CASE		c. MOST LIKELY		MANAGEMENT ESTIMATE AT COMPLETION (1)			CONTRACT BUDGET BASE (2)			VARIANCE (3)			a. NAME (Last, First, Middle Initial)			b. TITLE																											
1,314,554			1,314,554		1,314,554											Bang, M.V.			Prime Contract Manager																											
																c. SIGNATURE			d. DATE SIGNED (YYYYMMDD)																											
																			2010/09/28																											
8. PERFORMANCE DATA																																														
WBS[1]													CURRENT PERIOD			CUMULATIVE TO DATE			REPROGRAMMING ADJUSTMENTS			AT COMPLETION																								
													BUDGETED COST		ACTUAL COST WORK PERFORMED		VARIANCE		BUDGETED COST		ACTUAL COST WORK PERFORMED		VARIANCE		COST VARIANCE		SCHEDULE VARIANCE		BUDGET		BUDGETED		ESTIMATED		VARIANCE											
													WORK SCHEDULED (2)		WORK PERFORMED (3)		SCHEDULE (5)		COST (6)		WORK SCHEDULED (7)		WORK PERFORMED (8)		PERFORMED (9)		SCHEDULE (10)		COST (11)		VARIANCE (12a)		VARIANCE (12b)		BUDGET (13)		(14)		(15)		(16)					
													(1)		(2)		(3)		(4)		(5)		(6)		(7)		(8)		(9)		(10)		(11)		(12a)		(12b)		(13)		(14)		(15)		(16)	
RL-0011.R1 PFP D&D													14,124		12,970		11,771		(1,153)		1,199		152,408		141,190		136,377		(11,217)		4,814		0		0		0		279,168		279,168		0			
RL-0013C.R1.1 MLLW Treatment													-1,273		639		1,222		1,913		(583)		32,043		31,948		29,981		(96)		1,967		0		0		0		47,851		47,851		0			
RL-0013C.R1.2 TRU Waste													8,500		17,729		12,581		9,229		5,149		118,158		114,678		115,240		(3,480)		(563)		0		0		0		250,462		250,462		0			
RL-0030.R1.1 GW Capital Asset													20,593		10,150		9,592		(10,443)		557		72,853		66,933		64,585		(5,920)		2,348		0		0		0		171,151		171,151		0			
RL-0030.R1.2 GW Operations													4,000		5,411		5,811		1,411		(400)		57,827		51,013		42,150		(6,814)		8,863		0		0		0		84,521		84,521		0			
RL-0040.R1.1 U Plant/Other D&D													9,310		9,940		9,899		630		41		124,894		120,806		107,687		(4,088)		13,120		0		0		0		197,576		197,576		0			
RL-0040.R1.2 Outer Zone D&D													5,250		6,641		3,440		1,391		3,200		44,600		44,020		35,596		(580)		8,424		0		0		0		86,720		86,720		0			
RL-0041.R1.1 100 K Area Remediation													5,024		6,115		7,234		1,091		(1,118)		124,661		123,102		114,026		(1,559)		9,076		0		0		0		170,197		170,197		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													65,528		69,596		61,550		4,068		8,046		727,444		693,691		645,642		(33,753)		48,049		0		0		0		1,287,645		1,287,645		0			
f. Management Resrv.													0		0		0		0		0		0		0		0		0		0		0		0		0		0		0		0			
g. Total													65,528		69,596		61,550		4,068		8,046		727,444		693,691		645,642		(33,753)		48,049		0		0		0		1,314,554		1,314,554		0			
9. Reconciliation to CBB																																														
a. Variance Adjustment																																														
b. Total Contract Variance																																														

FORMAT 3, DD FORM 2734/3, BASELINE

CONTRACT PERFORMANCE REPORT														Form Approved OMB No. 0704-0188			
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: 2010/08/23					
b. LOCATION: Richland, WA				b. NUMBER: RL14788				b. PHASE				b. TO: 2010/09/30					
				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)			
0				\$1,305,191		\$1,305,191		\$9,363		\$1,314,554		\$1,314,554		\$0			
h. CONTRACT START DATE 4/9/2009				i. DEFINITIZATION DATE				j. PLANNED COMPL DATE 9/30/2011		k. CONT COMPLETION DATE				l. EST COMPLETION DATE 9/30/2011			
6. PERFORMANCE DATA																	
ITEM (1)			BCWS CUM TO DATE (2)	BCWS FOR REPORT PERIOD (3)	SIX MONTH FORECAST						BUDGETED COST FOR WORK SCHEDULED (NON - CUMULATIVE)					TOTAL BUDGET (16)	
					+1 Oct-10 (4)	+2 Nov-10 (5)	+3 Dec-10 (6)	+4 Jan-11 (7)	+5 Feb-11 (8)	+6 Mar-11 (9)	FY09 (10)	FY10 (11)	FY11 (12)	FY12 (13)	OUT YEARS (14)		UNDISTRIB BUDGET (15)
a. PM BASELINE (BEGIN OF PERIOD)			700,494	89,124	35,142	44,317	43,869	43,351	52,596	67,088	161,538	589,502	552,576	0	0	0	1,303,617
b. BASELINE CHANGES AUTH DURING REPORT PERIOD																	
BCR-PRC-10-047R0 RL-41 ARRA to Base Shift for 100-K-63 & Waste Sites with Extent of Contamination											0	(4,863)	(4,906)	0	0		(9,769)
BCR-PRC-10-053R0 PRC Baseline, Rev. 2 Update											0	(261)	(9,581)	0	0		(9,842)
BCR-PRC-10-054R0 Changes to Execution Approach for S&GW Selected Activities											0	(2,206.6)	2,238.3	0	0		32
BCR-PRC-10-057R0 Mixed/Low Level Waste (MLLW) Treatment Alignment											0	(3,543.7)	7,315.4	0	0		3,772
BCR-R13-10-006R0 Re-Phasing Procurement of the Trench Face Processing System											0	(11,212.4)	11,048.2	0	0		(164)
BCR-R13-10-007R0 Trench Face Retrieval & Characterization System Site Preparation Re-phase											0	(1,027.4)	1,027.4	0	0		0
BCR-R40-10-011R0 Miscellaneous Capital Equipment Adjustments, RL-40											0	(482.5)	482.5	0	0		(0)
BCRA-013-10-013R0 Expense to Capital for Storage Tent at CSB											0	0	0	0	0		0
BCRA-PRC-10-056R0 Transfer Mobile Office Leases to Expense											0	0	0	0	0		0
BCRA-PRC-10-058R0 Functional Organization Changes For September 2010											0	0	0	0	0		0
BCRA-PRC-10-060R0 General Administrative Changes for FY 2010 Year End											0	0	0	0	0		0
c. PM BASELINE (END OF PERIOD)			727,444	34,610	44,443	44,555	43,647	47,135	59,268	161,538	565,906	560,201	0	0	0		1,287,645
7. MANAGEMENT RESERVE																	26,909
8. TOTAL																	1,314,554

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

CLASSIFICATION (When Filled In)									
CONTRACT PERFORMANCE REPORT FORMAT 5 - EXPLANATIONS AND PROBLEM ANALYSES								FORM APPROVED OMB No. 0704-0188	
<b>1. CONTRACTOR</b>		<b>2. CONTRACT</b>			<b>3. PROGRAM</b>			<b>4. REPORT PERIOD</b>	
<b>a. NAME</b> CH2M HILL Plateau Remediation Company		<b>a. NAME</b> Plateau Remediation Contract			<b>a. NAME</b> Plateau Remediation Contract			<b>a. FROM (YYYY/MM/DD)</b>  2010/08/23	
<b>b. LOCATION (Address and ZIP Code)</b>  Richland, WA 99354		<b>b. NUMBER</b> RL		<b>b. PHASE</b> ARRA			<b>b. TO (YYYY/MM/DD)</b>  2010/09/30		
		<b>c. TYPE</b> CPAF	<b>d. SHARE RATIO</b>		<b>c. EVMS ACCEPTANCE 2009/09/18</b> NO YES X				
	<b>BCWS</b>	<b>BCWP</b>	<b>ACWP</b>	<b>SV in \$</b>	<b>SV in %</b>	<b>CV in \$</b>	<b>CV %</b>	<b>SPI</b>	<b>CPI</b>
Current:	65,528	69,596	61,550	4,068	5.8%	8,046	11.6%	1.06	1.13
Cumulative:	727,444	693,691	645,642	-33,753	-4.9%	48,049	6.9%	0.95	1.07
	<b>BAC</b>	<b>EAC</b>	<b>VAC in \$</b>	<b>VAC in %</b>	<b>CPI to BAC</b>	<b>CPI to EAC</b>			
At Complete:	1,287,645	1,287,645	0	0.0%	0.9	0.9			
<b>Explanation of Variance/Description of Problem:</b>									
<p><b>Current Period Schedule Variance:</b> The favorable schedule variance occurs in the Direct Projects, specifically RL-41.R1.1 (+\$1.1M) RL-13C.R1.1/RL-13C.R1.2 (+\$1.9M &amp; +\$9.2M), RL-30.R1.2 (+\$1.4M) and RL-40.R1.1/RL-40.R1.2 (+\$0.6M &amp; +\$1.4M) respectively, which are partially offset by the favorable schedule variances in RL11.R1 (-\$1.2M), RL-30.R1.1 (-\$10.4M). For RL-11.R1 the primary unfavorable variance occurs in all D&amp;D activities at PFP, except D&amp;D on support buildings/Yard area and certain Balance of 234-5Z D&amp;D efforts. For RL-41.R1.1 the primary favorable variance occurs in the 100-K-55 waste site RTD and the 100K Reactor Power &amp; Waste Isolation projects, which are partially offset by unfavorable variances in the RTD of other 100-K area waste sites. For RL-30.R1.2, the primary favorable variance results from the implementation of BCR-PRC-10-054R0, resulting in change in execution strategy for KR-4 and HR-3 well drilling. For RL-30.R1.1, the primary unfavorable variance occurs in capital/GPP construction efforts on the DX and ZP-1 Pump &amp; Treat facilities. For RL-13C.R1.2 TRU Retrieval recovered prior period retrieval volumes, coupled with rephasing of TFPS and TFRCS Site Prep Phase I to align with vendor availability and revised execution strategy, partially offset by T-Plant Repack operations delay due to recovery actions for drum lid issue. For RL-13C.R1.1, the primary favorable variance occurs in the Mixed Low Level waste realigned activities to correspond with Retrieval Project quantities and new feed stream from Large/RH Repack, coupled with arrival of ERDF forklift scheduled for prior time period. No significant monthly variance on RL-40.R1.1 and RL-40.R1.2.</p> <p><b>Current Period Cost Variance:</b> The favorable cost variance occurs in the Direct projects, specifically RL-13C.R1.2 (+\$5.1M) TRU Retrieval recovered prior period retrieval volumes, partially offset by T-Plant Repack operations delay due to recovery actions for drum lid issue, RL-40.R1.2 (+\$3.2M) is a result of an adjustment to waste disposal costs at ERDF reflecting realized efficiencies, RL-11.R1 (+\$1.2M) is primarily due to the direct distributable pool liquidation credits, and RL-30.R1.1 (+\$0.6M) due primarily to increased costs on the capital DX Pump &amp; Treat plant and 200-ZP-1 Wells. For the Direct Projects, the primary unfavorable cost variances occur in RL-41.R1.1 (-\$1.1M) due to unfavorable cost performance on KW Basin Deactivation vacuuming efforts and 100K Reactor Power/River Water Isolation, partially offset by the year-end passback.</p> <p><b>Cumulative Schedule Variance:</b> The unfavorable cumulative schedule variance, (-\$33.8M), occurs in the Direct Projects. For RL-30R1.1 (-\$5.9M) long-lead procurements are behind schedule due to design release delays. For RL-41.R1.1 (-\$1.6M) variance is within reporting thresholds. For RL-13C.R1.2 (-\$3.5M) Delay in full Central Characterization Program (CCP) implementation and lack of CCP resources for non-destructive examinations (NDE), TRU Retrieval long term box storage, and TRU Repackaging delays associated with drum venting recovery activities. For RL-11.R1 (-\$11.2M) delays due to safety stand-down and stop works, breathing air issues, ultra conservative application of the SCO process, and unplanned process vacuum mockup work to support application of new glove bag technique For RL-40.R1.1 (-\$4.1M) delays occur primarily in demolition of U- Plant/Ancillary Facilities and 200E administrative buildings due to late award of the grout contract, bio-hazard and radiological control issues, delay in receiving capital equipment, and asbestos abatement/respirator issues partially offset by accelerating 209E demolition preparation, mobilization, and asbestos abatement. For RL-40.R1.2 (-\$0.6M) delays due to deferral of work on 600-220, 600 226, and 200-W-147-PL pending approval of regulatory documentation and several ALE towers not released for work. For RL-13C.R1.2 (-\$0.1M) delay in shipment to offsite treatment facility utilizing Large Type A container, partially offset by Mixed Low Level Waste 435.1 compliance activities (acceleration of FY11 scope). For RL-30.R1.2 (-\$6.8M) delays in ramp-up/construction activities due to the construction contractor's less than planned performance due to their inability to obtain required levels of staffing, limited engineering resources due to competing priorities, and the re-work that was required on the foundation due to incorrect placement.</p> <p><b>Cumulative Cost Variance:</b> The favorable cumulative cost variance occurs primarily in the following areas: (1) Favorable variances (+\$48.0M) in all Direct Projects supporting ARRA work scope, except RL-13C.R1.2 (-\$0.6M); and, (2) Favorable variances (+\$10.0M) resulted from lower than expected G&amp;A costs due to company level and Other Hanford pass-backs coupled with a labor underrun in project support staff related to ARRA ramp-up. For the specifics on the variances in Direct Projects see Section A, Sections C through F of this Monthly Report.</p>									

## 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 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, breathing air issues, and unplanned process vacuum mock-up work. A recovery plan has been developed. For RL-13C.R1.2 continued delays are anticipated in TRU Retrieval and Next Generation TRU Retrieval, and delay in the full implementation of the CCP TRU Certification program, in the near term. However, recovery plans are in development for the CH TRU Retrieval issues associated with deteriorated containers. For RL-30.R1.1 Drilling, 100 DX P&T and 200W P&T had unfavorable schedule performance for the current period but favorable performance contract to date. For RL-30.R1.2 the favorable impact occurs in well drilling activities, which are the result of implementing BCR-PRC-10-054R0 and the change of execution strategy.

**Current Period Cost:** For RL-11.R1 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 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 in development for the CH TRU Retrieval issues associated with deteriorated containers. For RL-11R.1 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, breathing air issues, and unplanned process vacuum mock-up work. A recovery plan has been developed. 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. Also, for RL-40.R1.2 remediation of O-Zone waste is impacted and presents a challenge to on-time completion of work.

**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 deteriorated containers and upset conditions. For RL-30.R1.1 favorable variance will continue on the 100DX P&T and the 200W P&T variance will be monitored. For RL-30.R1.2 the Construction Complex costs are well below weighted performance taken to date. 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 favorable variance at completion is still forecasted.

### Corrective Action:

**Current Period Schedule:** For RL-11.R1 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<sup>(5)</sup> vs supplied fresh air in 242Z, in-situ size reduction in labs, et cetera. 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. A BCR to reflect this revised execution strategy was implemented in September 2010.

**Current Period Cost:** For RL-11.R1 a reduction to the balance of waste volumes/waste disposal costs is anticipated. This reduction will more than offset the increased costs for overtime to recovery schedule. 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 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 remediation current cost variances will be monitored over the next few months to determine longer-term impacts and the need for change control and change proposals (CPs).

**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 in development for the CH TRU Retrieval issues associated with deteriorated containers. For RL-11.R1 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<sup>(5)</sup> vs supplied fresh air in 242Z, in-situ size reduction in labs, et cetera. 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. Also, insulators from other projects are being re-assigned to help recover schedule. For RL-40.R1.1 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 change requests and CPs are being prepared to address additional soil contamination efforts not priced in the original contract. No corrective actions are required for D&D activities in RL-40.R1.2. 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 performance is overstated on the Construction Complex and this will be corrected over the next 3 to 4 periods resulting in a correction of the cost variance. 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 a reduction to the balance of waste volumes/waste disposal costs is anticipated in July 2010. This

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

reduction will more than offset the increased costs for overtime to recovery schedule. For RL-13C.R1.2, RL-40.R1.1 and RL-41.R1.1 no corrective actions are required at this time.			
<b>Monthly Summary:</b> (to include technical causes of VARs, Impacts, and Corrective Action(s):			
Overall, the current period schedule and cost variances are due essentially to unfavorable schedule and cost performance in most ARRA work scope coupled with some cost efficiencies as discussed above. 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 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. Also, insulators from other projects are being re-assigned to help recover schedule. For RL13C.R1.2 recovery plans are in development for the CH TRU Retrieval issues associated with deteriorated containers. For RL-30.R1.1, the primary favorable schedule performance occurs in the GPP DX and capital ZP-1 Pump & Treat systems. For RL-30.R1.2 delays continue on the GPP S&GW and the Capital EPC construction Complex, which are partially offset by favorable performance on the 100-NR-2 Drill Well Barrier efforts. The favorable cumulative to date cost variances, except in RL-13C.R1.2 for the capital Trailer Complex, are expected to continue. For RL-11.R1 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.			
<b>Contractually Required Cost, Schedule, EAC variance, Management Reserve Use</b>			
<b>Major Difference in EAC:</b> As anticipated last month, there is a <b>reduction</b> in the ARRA EAC this month over last month, specifically -\$16.0M. This change occurs primarily from three (3) actions: (1) RL directed change to transfer American Recovery & Reinvestment Act (ARRA) scope for fourteen PBS RL-41 waste sites (reduction of \$9.8M) per change request BCR-PRC-10-047R0; (2) RL concurrence to add activities in FY 2011 for the processing of TRU waste at a commercial treatment facility (increase of \$3.8M) for PBS RL-13 per change request BCR-PRC-10-057R0; and, (3) Implementation of the PRC Baseline, Revision 2 Update (reduction of \$9.8M) in response to RL comments on the PRC Baseline, Revision 2 per BCR-PRC-10-053R0. Management reserve, in the amount of \$3.5M, is used as a result of realized risk #PRC-042, "Required resource not available" associated with insufficient qualified suppliers and limited competition for the procurement of Trench Face Processing System as ARRA scope in PBS RL-13 per change request BCR-R13-10-006R0. A <b>reduction</b> to the ARRA EAC of ~\$11M is anticipated next month depending on approval of identified changes.			
<b>Variance in Estimated Contract Budget Base at Completion:</b> There is a change in the estimated contract budget base at completion over last month, specifically a <b>reduction</b> of \$12.5M. As noted above, this change occurs primarily from three (3) actions: (1) RL directed change to transfer American Recovery & Reinvestment Act (ARRA) scope for fourteen PBS RL-41 waste sites (reduction of \$9.8M) per change request BCR-PRC-10-047R0; (2) RL concurrence to add activities in FY 2011 for the processing of TRU waste at a commercial treatment facility (increase of \$3.8M) for PBS RL-13 per change request BCR-PRC-10-057R0; and, (3) Implementation of the PRC Baseline, Revision 2 Update (reduction of \$9.8M) in response to RL comments on the PRC Baseline, Revision 2 per BCR-PRC-10-053R0. 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 only \$9.4M more ARRA work scope, including management reserve, than documented in contract modifications 125, 108 and 087. 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. Management reserve, in the amount of \$3.5M, is used as a result of realized risk #PRC-042, "Required resource not available" associated with insufficient qualified suppliers and limited competition for the procurement of Trench Face Processing System as ARRA scope in PBS RL-13 per change request BCR-R13-10-006R0. A <b>reduction</b> to the ARRA EAC of ~\$11M is anticipated next month depending on approval of identified changes.			
<b>Use of Management Reserve:</b> Management reserve, in the amount of \$3.5M, is used as a result of realized risk #PRC-042, "Required resource not available" associated with insufficient qualified suppliers and limited competition for the procurement of Trench Face Processing System as ARRA scope in PBS RL-13 per change request BCR-R13-10-006R0.			
<b>Best/Worst/Most Likely Estimate:</b> 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 September 2010 over August 2010 due to the implementation of change requests as discussed above in Major Difference in EAC.			
<b>Prepared by:</b> Schilling, Bert	<b>Date:</b> 10/26/10	<b>Approved by:</b>	<b>Date:</b>

(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