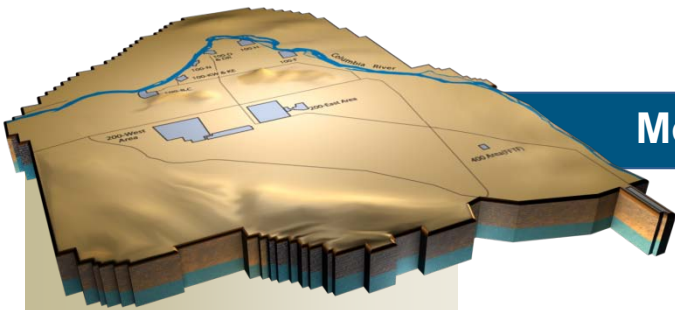


Appendix C

Project Services and Support (WBS 000) (PBS RL-XX.99)



Monthly Performance Report

T. L. Vaughn
Vice President for
Safety, Health, Security
and Quality

K. A. Dorr
Vice President for
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M. N. Jaraysi
Vice President for
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Strategic Planning

L. E. Bennett
Director of
Communications and
Outreach

September 2010
DOE/RL-2008-69, Rev. 36
Contract DE-AC06-08RL14788
Deliverable C.3.1.3.1 - 1

D. B. Cartmell
Vice President for
Business Services and
Project Controls

PROGRAM SUMMARY

Project Services and Support functional activities continue to provide support and technical services to all CHPRC projects as well as central management of cross-cutting services.

TARGET ZERO PERFORMANCE

	Current Month	Rolling 12 Months	Comment
Days Away, Restricted or Transferred	0	0	N/A
Total Recordable Injuries	0	1	N/A
First Aid Cases	0	0	N/A
Near-Misses	0	0	N/A

KEY ACCOMPLISHMENTS

Safety, Health, Security, and Quality

- The monthly President's Zero Accident Council (PZAC) meeting was held on September 15, and hosted by the CHPRC Safety, Health, Security and Quality (SHS&Q) organization. The three principal themes for the meeting were:
 - ALARA
 - VPP
 - Winter Safety Campaign
- In addition to these focus area updates for the Safe Zone program, Hanford road changes and VPP updates were shared
- Additional significant SHS&Q related program activities conducted during the month include:
 - Development and issuance of five Thinking Target Zero bulletins:
 - Work Related Injury/Illness Reporting
 - Protective Actions
 - Effective Verbal Communication
 - Security Badges are Still Required
 - Overexertion
 - SHS&Q sponsored a Safety Open House which shared information on some of the safety programs at CHPRC such as WOW, GOAL, and stretch and flex
 - SHS&Q personnel supported the projects with participation in walk-downs, drills, Hazard Review Board meetings, incident/event critiques, work observations/oversight, Employee Job Task Analyses, subcontractor training equivalencies, statement of work development, program reviews (i.e., Chemical Management, Critical Lift), performance of work site assessments, and interpretation of requirements

- Status of Beryllium Project included:
 - Conducted additional sampling for areas that met the new DOE trigger level criteria
 - Conducted Building Characterization Sampling
 - Met with a statistician from NTS to develop a plan to fingerprint beryllium sample results to determine naturally occurring versus man made beryllium
 - Established and conducted a recurring Beryllium Monthly working group meeting
 - Conducted a worksite assessment for Beryllium Affected Workers with participation by RL
 - Wrote or reviewed multiple Industrial Hygiene Characterization Sampling Plans
 - Wrote and reviewed three Building Characterization reports
 - Wrote or reviewed Hazard Assessments for multiple locations
 - Worked with WRAP to incorporate beryllium controls for the Re-Pack Startup subproject
- Occupational Safety & Industrial Health (OS&IH) continued to work with Washington River Protection Solutions in final strategy development for deployment of the interim CHPRC Industrial Hygiene database
 - The process and schedule for enhancing the Industrial Safety and Industrial Hygiene Qualification and Training program was initiated
- Emergency Preparedness (EP) activities include:
 - Participated in the 4th Quarter Field Exercise held at Balance of Site on September 16
 - Initiated a major revision to procedure PRC-PRO-EM-7647, *Emergency Preparedness Program Requirements*
 - Conducted a total of 13 drills during the month of September
 - Conducted EAL, PBOE, and Abnormal Event briefings at S&M, WRAP, and ETF, with more facilities to receive briefings in the near future
 - Continued preparation of WESF for the upcoming EP Site Exercise, to be conducted in November
- Radiation Protection implemented the DOE approved Authorized Limits and 10 CFR 835 Exemption Request for surface contamination values
- Work Control activities include:
 - Completed formal review drafts for multiple procedure updates incorporating comments following review meetings with 100K personnel in support of Phase I implementation for the Work Control Program updates at 100K
 - Completed preparations to implement updates to the AJHA application to support upcoming hazard control process changes
 - Completed procedure change to PRC-PRO-WKM-40004, *Hazard Review Board*, to align with updated criteria for PRO-RP-40108, *Radiological Hazard Screening*
 - Completed assessment across all projects regarding hazard control requirements and related issues from PFP nitric acid event
 - Completed assessment across all projects to review implementation of Worksite Hazard Analysis process for skill-based work
 - Also conducted assessment activities at all projects regarding targeted Conduct of Operations chapter areas as well as work release methods
 - Completed the annual Deferred Maintenance of Personal Property review. Results will be provided to RL by the Controller's Office as an end of the year report.
 - Supported various training courses including Work Management Overview, Field Work Supervisor and Automated Job Hazard Analysis for administrators as well as BTRs

- Operations Management accomplishments include:
 - Established the Work Control Phase I activity plan and implementation schedule, and developed the Work Control Phase II implementation schedule
 - Updated the master procedure and forms listing supporting full implementation of the Work Control process
 - Reviewed all project pre-job briefing checklists and made recommendations to be combined into the CHPRC checklist so that the project specific checklists can be cancelled
 - Developed process flow charts on work control for use by Planners
 - Defined the scope of the Work Management Phase 1 implementation (1K and 1C JCS)
 - Developed the gap training for personnel involved in the Work Management Phase I implementation
 - Submitted changes to the Management Directive PRC-MD-WKM-40352, *Phase One Implementation of Revised Work Management Process*, to procedures group for formatting and review
 - Performed an analysis of the work control program against the NNSA and EM criteria for a best practice work control program
 - Started process of evaluation and development of procedure and process changes required for site-wide implementation of the work management process
 - Generated ISMS/EMS QA annual letter for submittal to RL
- Quality & Performance Assurance (QPA) activities included:
 - In conjunction with RL, has commissioned several Safety Basis Academy Courses that were developed at Los Alamos National Lab (LANL). These courses are taught at the various Energy Facility Contractors Operating Group Workshops (EFCOG) each year.
 - Issued a Management Assessment on the first cycle of CHPRC Project Independent Assessments (IAs) to identify focus areas for the second cycle of Project IAs
 - Developed the Assessment Plan and provided other preparatory coordination and support for the CH2M HILL Nuclear Business Group Follow-up ISMS Phase II Assessment of the Waste Retrieval Project at W&FMP
 - Working in conjunction with MSA staff and RL records management personnel, consolidated OCRWM records in the recently constructed records storage facility in the 300 Area (Building 3212). As a result, DOE-HQ OCRWM personnel have agreed to closure of an OCRWM program deficiency that has been outstanding for several years.
 - Performance of 134 self-assessments
- Deliverables that were prepared and transmitted to RL in September include:
 - Transportation Documents
 - Letter CHPRC-1000767 R3 was transmitted to RL October 12, 2010. The letter identifies impacts from implementation of the Transportation Safety Document Revision 1-D and proposes mitigation strategies.
 - Packaging Quality Assurance Program Review and Approval
 - Transmittal of 2010 Annual Unreviewed Safety Question for Transportation Determination Summary Report
 - Notification of Impact Regarding Issuance of Revision 1-D to the Hanford Sitewide Transportation Safety Document (DOE/RL-2001-0036)
 - Updated CWC Generic Box Tiedown Analysis
 - Updated CE-SPA Checklist for Box Shipment to Perma-Fix
 - DBGD SPA Checklist for K East Fuel Discharge Chute

- Updated CE-SPA Checklist for 209-E Pencil Tanks
- Updated CE-SPA Checklist for Sealed Sources
- Revised F-SPA Checklist for Settler Samples
- Documented Safety Analysis
 - Transmittal of CHPRC-00971, Solid Waste Operations Complex Drum Lid Release Justification for Continued Operation, Revision 0
 - CHPRC Transmittal of Proposed Plutonium Finishing Plant Technical Safety Requirement Changes to include Additional Fire Protection Test and Inspection Frequency Schedule and to Clarify Combustible Liquid and Non-Combustible Container Controls
 - Submittal of Contract Deliverable C.3.2.2-1, “Annual Update of the Plutonium Uranium Extraction Facility Documented Safety Analysis”
 - Packaging Quality Assurance Program Review and Approval
 - Submittal of Contract Deliverable C.3.2.2-1, “Annual Update of the B Plant Documented Safety Analysis”
 - Transmittal of the 2010 Annual Unreviewed Safety Question for Transportation Determination Summary Report
 - Transmittal of Authorization Agreements for the B Plant and Plutonium-Uranium Extraction Facilities
 - Notification of Impact Regarding Issuance of Revision 1-D to the Hanford Site-Wide Transportation Safety Document (DOE/RL-2001-0036)
 - Email, L. J. Horton, CHPRC, to J. C. Connerly, RL, CHPRC-1002722.1 – Delay in CHPRC Action Completion
- Documents Receiving RL approval during the month include:
 - Submittal of the Annual Update of the Reduction-Oxidation (REDOX) Facility Documented Safety Analysis (DSA)
 - Contractor Requirements Document (CRD) O 425.1D, "Verification of Readiness to Start Up and Restart Nuclear Facilities," Change Order Number 88
 - Approval of Positive Unreviewed Safety Question and Associated Justification for Continued Operation (JCO) Concerning Clarification of the Passive Leak Path Factor at Plutonium Finishing Plant (PFP)
 - DBGD SPA Checklist for K East Fuel Discharge Chute
 - Approval of the 105-KW Basin Final Safety Analysis Report (FSAR) and the 105-KW Basin Technical Safety Requirements (TSR) Revisions
 - CE-SPA Checklist for Box Shipment to Perma-Fix
 - Internal Securement of Shielded Samples within SWB
 - Revised F-SPA Checklist for Settler Samples
 - 105-K East Basin Lower Walls and Substructure Demolition Documented Safety Analysis, KBC-38834
- Status of SHS&Q Performance Indicator Trend Analysis:
 - **Issue:** CHPRC Failure to Meet Minimum Safety Performance Requirements.
Status: CHPRC provided RL our Corrective Action Plan (dated June 4, 2010).
Action: Fourteen of fifteen actions are complete. Last action will be a November effectiveness review by CH Corporate personnel.
 - **Issue:** Beryllium program assessment findings from HSS Independent Oversight Inspection report (dated June 2010).
Status: Supported development of site Beryllium CAP with RL, ORP, and site contractors.
Action: Implementing CHPRC related actions and supporting site-wide actions per the CAP.

- **Issue:** RL surveillance of CHPRC OSHA recordkeeping and injury/illness documentation.
Status: Provided CHPRC position on “work restrictions.”
Action: Work with RL to resolve differences.
- **Issue:** RL Corrective Action Management Core Surveillance identified needed improvement in performance.
Status: Corrective actions in progress under CR-2010-1315.
Action: Completing actions as per the CAP.
- **Issue:** Performance trends require further evaluation; specific reviews initiated for Waste Management and Transportation related issues; Fire Protection and USQt.
Status: Working with RL points of contact for resolution.
Action: Identify and develop corrective actions as needed.
- **Issue:** Vehicle Safety performance represents a non-improving negative trend.
Status: Site wide corrective actions are on schedule.
Action: Separate heavy equipment events from personnel vehicles for further evaluation; continue to track progress.
- **Issue:** Transportation DSA requires updating to support on-site transportation activities.
Status: Developed action plan.
Action: Working actions as appropriate.

Environmental Program and Strategic Planning (EPSP)

Environmental Management System:

- The FY2010 Objectives and Targets were exceeded and FY2011 EMS Objectives and Targets were developed and submitted to senior management for approval

Compliance Inspections and Reviews included:

- Inspections of major radioactive air emission stack 291-A-1 and B-1 at B Plant were conducted in September 2010, by Washington State Department of Health (WDOH), with no concerns or issues noted
- Ecology field verification of Air Operating Permit (AOP) certification of the Asbestos Landfill and Non-Radioactive Dangerous Waste Landfill was performed via a field walk down, with no issues or findings
- In preparation for final status TSD permitting, Ecology performed a field walk down of the Low Level Burial Ground Mixed Waste Trenches 31 and 34. No issues were noted.
- Ecology toured the Effluent Treatment Facility (ETF), Liquid Effluent Retention Facility (LERF), and the Treated Effluent Disposal Facility (TEDF). There were no issues, findings, or observations.
- Inspection of the T Plant TSD unit was conducted by Ecology and EPA and resulted in discussions regarding Hanford Facility permit interim status. Follow-up documentation was provided.
- The 209-E Deactivation Notice of Construction (NOC) was submitted to RL on September 2, 2010
- A revised National Emission Standards for Hazardous Air Pollutants; Radionuclides Quality Assurance Project Plan was completed and informally submitted to RL on September 28, 2010

Strategic Planning Support

- Supported RL in discussions with HQ on the Hanford plutonium waste inventory and production history
- Completed a management assessment on the implementation of the risk management procedure and risk management implementation guide. There were no findings as a result of the assessment but two opportunities for improvement were identified.
- Initiated preparation of the PMB Rev. 2A files to enable performance of Monte Carlo risk analyses using the Pertmaster® risk modeling software. The updated risk analyses will be completed by October 30, 2010.

Environmental Quality Assurance

- Surveillances completed include:
 - QA-EQA-SURV-10-067, CHPRC Sample Hold Times- One finding was identified
 - QA-EQA-SURV-10-032, Control of STP Environmental Controlled Documents - No findings or Opportunities for Improvement (OFI's) were identified
- Management Assessments completed:
 - *EPRM-RS&R-MA-10-011* – Management of Documents and Records – Two findings and two OFIs were identified
 - *EPRM-RS&R-MA-10-019* – Process for Completion of Periodic Regulatory Reports – Four OFIs were identified
 - *EPRM-FSNF-MA-10-012* – Implementation of Spills CRD DOE O 450.1A - Three findings and two OFIs were identified
 - *EPRM-FSNF-MA-10-018* – CHPRC Process for AOP Compliance Certification - One OFI was identified
 - *EPRM-RM-MA-10-013* – Risk Integration Program Review - Three OFIs were identified
 - *EPRM-SPRM-MA-10-014* – Risk Assessment Process Documentation – Two OFIs were identified
- Independent Assessments completed:
 - *EPRM-EQA-IA-10-004*, *Review of Maintenance of RMS Requirements* - Four findings and four OFIs identified

Rolling Status of completed EP&SP Assessments in FY2010 as of 09/30/2010

Assessment Type	Total Assessments Completed To-date in FY2010	Results by activity			
		Findings		OFI	
Surveillance	60	23		29	
Management Assessment	16	13		39	
Independent Assessment	5	15		10	
Work Site Assessment	16	1		1	
Total	97	52		79	
		<i>Closed</i>	<i>Open</i>	<i>Closed</i>	<i>Open</i>
		23	29	45	34

Business Services and Project Controls

- In September 2010, CHPRC approved and implemented eleven baseline change requests, of which four are administrative in nature and did not change budget, schedule or scope
- Overall, the contract period PMB budget increased \$21,630.1K in September 2010. Management reserve, in the amount of \$3,500K, was utilized in association with Risk PRC-042, “Required resources not available”, in RL-0013. 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 PMB Revision 2 was submitted to RL on September 10, 2010 and implemented for September reporting. In addition to baseline changes, five Change Proposals were submitted during the month.
- During September, Prime Contracts received and processed six contract modifications (Numbers 121, 122, 123, 124, 125, and 126) from RL. The Correspondence Review Team reviewed and determined distribution for 49 incoming letters and the Prime Contract Manager reviewed 90 outgoing correspondence packages.
- DOE’s Office of Environmental Management conducted a review of the Hanford Site’s Real Property Maintenance Program in August. A draft report from the review team was received for comments.

Overall the Review Team observed that the real property maintenance program at the Hanford Site is effective in meeting mission objectives, supports health and safety, and supports facilities operations.

- The ARRA Phase 1-3 and Unsecured Core Project mobile offices have all been received and installed. Of the 168 MOs procured, only MO2209, the MSA Water Utilities Trailer, is awaiting the final walkthrough and occupancy inspection. MO2209 is expected to be accepted for occupancy on October 13, 2010.
- Facilities and Property Management initiated the site evaluations and statements of work for the procurement of two additional five wide mobile offices, two mobile restroom facilities, a double-wide mobile office and a mobile restroom facility to support the remaining space requirements for the Soil and Groundwater Remediation Project (S&GWP). The new units will be located west of MO285 in 200E north of the S&GWP shops under construction in the Unsecured Core. Occupancy is anticipated in late January 2011.
- During September, CHPRC Procurement group awarded 188 new contracts with a total value of \$45.4M, amended 1,273 existing contracts with a total value of \$115.9M and awarded 462 new purchase orders valued at \$5.4M to support Base/ARRA acceleration objectives
- As measured at the end of CHPRC's second year, procurement volume has been significant. \$1.445B in subcontract activity has been recorded with approximately 49% or \$708M in awards to small businesses. ARRA funded activity amounts to 41% or \$596M of the total. This includes 4,200 contract releases, 6,800 purchase order line items, and over 117,000 P-Card transactions.

Material Services activities for September included:

- P-Card Administration has been reviewing P-Card holder files in preparation of an Internal Audit scheduled to commence in October
- Continued to provide P-Card reporting support for CHPRC Environmental Protection
- Worked with MSA Site Forms Designer to correct problems with the Spares Storage Request (SSR) form (A-6004-892) after the transition from an Adobe Form to a Word template. Both issues were resolved satisfactorily and the new Word template for the SSR form is working perfectly.

Interface Management support continued in September:

- CHPRC and MSA representatives co-presented a briefing titled "Achieving Integrated Safety Management through Working Together as Prime Contractors" at the national DOE ISMS conference in Augusta, Georgia
- Observed a CH2M-WG Idaho emergency drill and provided an assessment of the effectiveness of the CH2M-WG Idaho Emergency Management Program effectiveness
- Working with Washington River Protection Solutions (WRPS), Interface Management completed the required annual update and approval to Memorandum of Agreement Number MOA-WRPS-CHPRC-2009, for the Performance and Payment of Services, between CHPRC and WRPS
- Continued to work with AdvanceMed Hanford (AMH) and within CHPRC on resolution of issues related to performance of AMH exams for PRC workers. On September 9, 2010, an Interface Management representative briefed the participants in the CHPRC Quarterly Subcontractor Safety Meeting on the requirements and processes for preparing Employee Job Task Analysis (EJTA), scheduling AMH exams, and constraints associate with receiving the results from AMH exams.
- Provided a draft Administrative Interface Agreement between AMH and CHPRC on use of the AMH Hanford Patient Information Portal to help insure protection of sensitive information contained in portions of the Patient Portal.
- In conjunction with representatives of the CHPRC D&D and S&GW Projects and SHS&Q organization, Interface Management continued to work with MSA and the Waste Sampling and Characterization Facility (WSCF) on CHPRC's needs for timely processing of project and industrial health related samples. WSCF's support for CHPRC's chemical and low-level radiological sample

analytical needs is essential to effectively execute work.

- Continued to work with Advanced Technologies and Laboratories (ATL) and CHPRC Projects and SHS&Q to develop a projected FY2011 sample load for the 222-S Laboratory from CHPRC and the required associated Service Level Agreement (SLA).
- Continued discussions with Pacific Northwest National Laboratory (PNNL) on PNNL's proposal for an update to the Memorandum of Agreement between CHPRC and PNNL for the Performance and Payment of Services
- Worked with the CHPRC Projects and MSA to generate a proposed revision to the HNF-46148, Interface Control Document between CHPRC and MSA for Water Systems Services, incorporating the interface between the new 100-K Area water system being constructed by CHPRC in support of its D&D activities and the MSA managed Hanford Raw Water System.
- Worked with MSA and CHPRC S&GW Project to draft a new proposed Administrative Interface Agreement (AIA) documenting the path forward addressing future interfaces between MSA Electrical Utilities managed Hanford Site electrical transmission lines and the S&GWR Project groundwater pump-and-treat transfer and control lines.
- In support of CHPRC's efforts to improve forecasting of CHPRC required MSA services and the effectiveness of the CHPRC work authorization process to MSA. Interface Management worked to generate new or updated Master Agreements for FY2011 MSA provided services identified in the DOE J-3 Matrix. The new or revised Master Agreements include: Facility Services for Rad and Process Facilities, Utilities (EU, Sewer, and Water), Roads and Grounds, Facility Services – Non-rad Facilities, Fleet Services, Fire and Emergency Response Services – Fire Systems Upgrades Projects, Miscellaneous Services, and Information Resource Management Support.
- Interface Management worked with the CHPRC D&D Project and MSA to develop an agreed to process for turnover of the new A-9 Electrical Substation constructed by the CHPRC D&D Project at the 100-K Area to MSA Electrical Utilities for operation utilizing the process described for construction project turnover defined by PRC-PRO-CN-14990, Construction Management.

Engineering, Projects and Construction (EPC)

RL provided a response to letter CHPRC-1000326 addressing seismic criteria. An update to the PRC seismic spectra is being incorporated in PRC Engineering procedures. This new spectra will satisfy the requirements of DOE-STD-1020-2002 and DOE-STD-1189, and the SCR D O 420.1B Rev. 4, Section E (5) PRC-Natural Phenomena Hazards Mitigation for DOE Facilities.

Central Engineering support for September included:

- Chaired and participated in the Preliminary Design Review for the Sludge Treatment Project Knockout Pot Disposition Subproject. Review coordination and technical review comments were provided. The final design review report will be published in October.
- Participated in the evaluation and response to the DNSFB issues with the WTP Ashfall Design Requirements. DNSFB believes (based on preliminary United States Geological Survey report) that the volcanic ashfall hazard curve needs to be revised for the Hanford site, resulting in a significant increase in the current design ashfall loads. Based on consultation with the USGS, a preliminary evaluation and response to the DNSFB by the RL and ORP team concluded that the current design ashfall loads are appropriate.
- Issued CHPRC-00999 "Structural Evaluation of the Reinforced Concrete ISC" in support of the Waste and Fuel project, addressing and resolving RL's concern regarding the movement of the interim storage cask (ISC) that was dropped approximately one foot during receipt at the 200E Interim Storage Area (ISA) in October 2009
- Issued Chief Engineer Message 2010-05 on Fire Protection reinforcing required involvement of key functional groups early in any design/modification process

- Continued to provide technical support to the ARRA facilities projects, including Statement of Work (SOW) review and approval, detailed design drawing checking and approval, calculation preparation, submittal reviews, Facility Modification Packages (FMPs), Design Change Notices (DCNs), Memorandum of Understanding (MOU) review and approval, and field walk downs at the mobile office construction sites. Significant reviews/comments were provided for the Next Generation TRU Trench Face Process System Preliminary Design Review Plan and the KE Core Removal Project Formal Design Review Plan.

Communications and Outreach

- CHPRC Public Affairs submitted the American Recovery and Reinvestment Act (ARRA) weekly report (with video and photos) to RL per Contract No. DE-AC06-08RL14788 – Modification M047.
- In addition to the weekly report, Public Affairs published its weekly *Recovery Act Update*, documenting the first structural steel installation at the 200 West Pump and Treat Facility, removal of suspect transuranic waste from the 3A burial grounds, and removal of contaminated transfer piping at the Plutonium Finishing Plant. Current issues of the newsletter are available on CHPRC's external web and feature a wide range of project progress topics.
- The September issue of *On the Plateau* was a special two-year anniversary issue, documenting the unprecedented progress made in the first two years of the Contract, including meeting all regulatory milestones, completing the security downgrade at PFP, completing 91 TRUPACT-II shipments since March, removing over 350,000 tons of soil and reducing the site footprint by almost 100 square miles. At the request of RL, Public Affairs submitted potential articles for DOE-EM to showcase progress across the DOE complex. The most recent DOE-EM Recovery Act Newsletter featured CHPRC's cleanup of the Fitzner/Eberhardt Arid Lands Ecology Reserve and a personal profile of D.T. Luu, a nuclear chemical operator hired with Recovery Act funds to support transuranic waste retrieval.
- Five InSite Weekly News programs were produced aimed at communicating progress, employee engagement and community involvement to the workforce. A special edition of the program showed how the annual HAMTC Golf Tournament benefits the Tri-Cities Union Gospel Mission.
- All-employee meetings were held in several locations throughout the Tri-Cities and workers were given updates on project performance, safety metrics and had the opportunity to interface with project leadership. A follow-up employee survey allowed us to track the most valuable elements of the meetings and lessons learned will be applied to future meetings.
- At the request of the EPC organization, Communications conducted a workforce survey and analysis of front line employees and an actionable response plan was implemented to address concerns
- Communications wrote and coordinated the shooting of the fourth in a series of safety videos focusing on heavy equipment and vehicle safety, one of the "Big 6" hazards at the Hanford site. This video is being prepared for the December all-employee meetings and will be distributed through the Zero Accident Councils.
- Graphics produced updated posters communicating the status of the Employee Incentive Plan. In addition we created posters supporting EMS targets and objectives and in support of various Public Involvement meetings.

PROJECT BASELINE PERFORMANCE

Current Month

(\$M)

WBS 000 Project Services and Support	Budgeted Cost of Work Scheduled	Budgeted Cost of Work Performed	Actual Cost of Work Performed	Schedule Variance (\$)	Schedule Variance (%)	Cost Variance (\$)	Cost Variance (%)	Budget at Completion (BAC)
Indirect WBS 000 Total	12.5	12.5	9.2	0.0	0.0	3.3	26.3	958.0
Communications and Outreach	0.3	0.3	0.3					14.8
Safety, Health, Security and Quality	2.5	2.5	3.1					105.0
Environmental Programs and Strategic Planning	0.5	0.5	0.5					34.7
Business Services and Project Controls	8.5	8.5	4.6					767.6
Engineering, Projects and Construction	0.7	0.7	0.7					35.9
<u>PBS Allocations</u> <u>(RL-0XX.99) Total</u>	12.9	12.9	7.8	0.0	0.0	5.1	39.5	958.0
Base Total	5.6	5.6	3.7					796.7
RL-11	0.8	0.8	0.3					47.9
RL-12	1.1	1.1	0.5					85.9
RL-13	1.3	1.3	0.7					261
RL-30	2.0	2.0	1.0					182.1
RL-40	0.3	0.3	0.1					158.1
RL-41	0.2	0.2	1.1					57.6
RL-42	0.0	0.0	0.0					4.0
ARRA Total	7.3	7.3	4.1					161.3
RL-11	1.5	1.5	0.9					41.4
RL-13	1.8	1.8	1.1					39.0
RL-30	0.9	0.9	0.8					14.1
RL-40	1.6	1.6	1.0					38.2
RL-41	1.4	1.4	0.2					28.5

Numbers are rounded to the nearest \$0.1M.

Indirect WBS 000**CM Schedule Performance: (\$0.0M/0.0%)**

The schedule variance is within threshold.

CM Cost Performance: (+\$3.3M/+26.3%)

The positive cost variance is primarily due to:

- +\$3.4M – reverse accrual of Home Office costs for FY2009 and FY2010 – DOE-RL determined these costs would not be contract allowable
- +\$1.7M – misalignment of pension plan contribution budget (based on realized hours) and actual cost (based on calendar month), delay in purchasing estimating software—earned as LOE, and credit for FY2009 September RL Advanced Medical payment in excess of actual cost.
- -\$0.6M – increased staffing to support the National Beryllium program initiative and to implement improvements in the Conduct of Work program.
- -\$1.3M – lower G&A generated by capital projects.

PBS Allocations (RL-0XX.99)**CM Schedule Performance: (\$0.0M/0.0%)**

Level of Effort.

CM Cost Performance: (+\$5.1M/+39.5%)

The positive cost variance is primarily due to reverse accrual of Home Office costs for FY2009 and FY2010 – RL determined these costs would not be contract allowable (+\$3.4M); credit to liquidate G&A pool (+1.9M), offset by lower than planned G&A from projects' GPP and CENRTC (-\$1.3M), misalignment of pension plan contribution budget (based on realized hours) and actual cost (based on calendar month) (+\$0.8M), and delay in purchasing estimating software earned as LOE (+\$0.4M).

A variance of +\$1.4M exists between the indirect WBS 000 and the PBS allocations actual cost. This variance is the result of a change in the way costs are allocated based on a DCAA finding associated with the G&A rate application of cost distributions (previously reported). The prior policy charged work for others and capital projects with an 11.38% burden. The remainder of the actual cost, after crediting the rate receipt, was distributed on weighted percentage of the actual cost of projects work. The current practice is to charge a burden based on the G&A and either over or under liquidate the indirect WBS cost.

Variance in each PBS may be higher or lower than the composite variance as a result of the PRC accounting practice of distributing cost based on the Project's actual cost instead of the accounting practice of planning the BCWS distribution based on the Project's BCWS by each PBS.

Contract-to-Date (\$M)

WBS 000 Project Services and Support	Budgeted Cost of Work Scheduled	Budgeted Cost of Work Performed	Actual Cost of Work Performed	Schedule Variance (\$)	Schedule Variance (%)	Cost Variance (\$)	Cost Variance (%)	Budget at Completion (BAC)
Indirect WBS 000 Total	204.7	204.7	186.4	0.0	0.0	18.3	9.0	958.0
Communications and Outreach	4.5	4.5	4.1					14.8
Safety, Health, Security and Quality	36.6	36.6	34.3					105.0
Environmental Program and Strategic Planning	9.8	9.8	8.1					34.7
Business Services and Project Controls	141.4	141.4	129.3					767.6
Engineering, Projects and Construction	12.4	12.4	10.5					35.9
<u>PBS Allocations (RL-0XX.99) Total</u>	204.7	204.7	186.4	0.0	0.0	18.3	9.0	958.0
Base Total	114.7	114.7	111.7					796.7
RL-11	17.5	17.5	17.0					47.9
RL-12	20.0	20.0	19.9					85.9
RL-13	32.4	32.4	31.2					261.0
RL-30	33.4	33.4	32.7					182.1
RL-40	6.9	6.9	5.5					158.1
RL-41	2.9	2.9	4.1					57.6
RL-42	1.4	1.4	1.3					4.0
ARRA Total	90.1	90.1	74.6					161.3
RL-11	21.4	21.4	17.9					41.4
RL-13	19.1	19.1	17.7					39.0
RL-30	9.3	9.3	7.5					14.1
RL-40	22.8	22.8	17.0					38.2
RL-41	17.4	17.4	14.4					28.5

Numbers are rounded to the nearest \$0.1M.

Indirect WBS 000**CTD Schedule Performance: (\$0.0M/0.0%)**

Within threshold.

CTD Cost Performance: (+\$18.3M/+9.0%)

The positive variance for PRC G&A and DD activities is distributed by weighted percentage to the Base and ARRA PBSs. This is the result of lower than expected FY2009 G&A costs due company level and Other Hanford Pass-back, lower assessments from MSA for Other Provided Services to PRC, and with a labor underrun in project support staff related to ARRA Ramp up (+\$15.1M). For FY2010, a positive cost variance of \$1.1M is primarily attributed to: the disallowed FY2009 and FY2010 Home Office costs (+3.4M); under runs in the Retiree Insurance Program (+\$1.0M), due to actual cost percentage being reduced to approximately 1% and a lower than planned labor rate; and estimating software earned but not yet purchased (+\$1.0M). This is offset by lower than planned receipt of G&A from the projects, with costs for GPP and CENRTC being processed later than scheduled (-\$4.4M).

PBS Allocations (RL-0XX.99)**CTD Schedule Performance: (\$0.0M/0.0%)**

Level of Effort.

CTD Cost Performance: (+\$18.3M/+9.0%)

See Indirect WBS 000 above.

No variance exists between the indirect WBS 000 and the PBS allocations actual cost, because G&A pool was fully liquidated as part of the year-end effort.

Variances in each PBS may be higher or lower than the composite variance as a result of the PRC accounting practice of distributing cost based on the Project's actual cost instead of the accounting practice of planning the BCWS distribution based on the Project's BCWS by each PBS.

Estimate at Completion (EAC)

The BAC and EAC now include FY2009 through FY2018, the PRC contract period. The variance between the EAC and the BAC reflects the impact of labor underrun in project support staff related to ARRA Ramp-up coupled with efficiencies in current workloads.

Baseline Change Requests

See Overview.

FY 2010 Funds vs. Spending (\$M)

FY 2010			
WBS 000 Project Services and Support	Funding	Actual Spending	Spend Variance
ARRA	57.0	58.3	(1.3)
Base	<u>50.1</u>	<u>50.8</u>	<u>(0.7)</u>
Total	107.1	109.1	2.0
Numbers are rounded to the nearest \$0.1M.			
Communications and Outreach	2.7	2.3	
Safety, Health, Security and Quality	21.4	21.3	
Environmental Program and Strategic Planning	5.1	4.0	
Business Services and Project Controls	71.4	75.1	
Engineering, Projects and Construction	6.5	6.5	
<u>PBS Allocations (RL-0XX.99) Total</u>			
Base Total	50.1	50.8	(0.7)
RL-11	6.8	6.1	
RL-12	9.5	9.6	
RL-13	11.4	12.8	
RL-30	17.4	17.0	
RL-40	2.9	2.1	
RL-41	1.9	3.1	
RL-42	0.2	0.1	
ARRA Total	57.0	58.3	(1.3)
RL-11	12.1	12.6	
RL-13	14.3	14.3	
RL-30	5.8	6.5	
RL-40	13.4	12.4	
RL-41	11.4	12.5	

Funds Analysis

FY2010 New Budget Authority consistent with the PRC baseline is \$105M. There were one-time FY2009 activities at \$2.1M carried over to FY2010 funding for a total of \$107.1M. For the \$2.0M spending variance and \$2.1M carryover scope will be provided by reducing PBS reserve funds carryover.

MAJOR ISSUES

None identified.

MILESTONE STATUS

None identified.

SELF-PERFORMED WORK

The Section H.20 clause entitled, "Self-Performed Work," is addressed in the Monthly Report Overview.

GOVERNMENT FURNISHED SERVICES AND INFORMATION (GFS/I)

None identified.