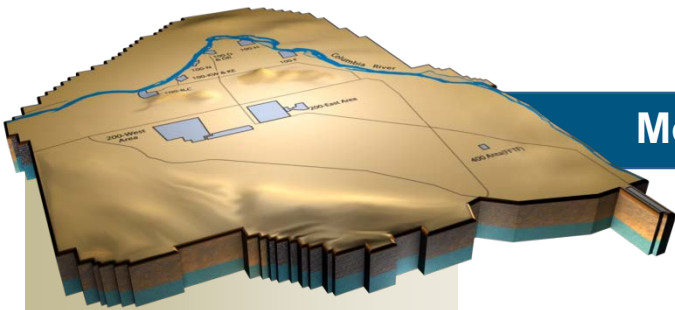


Appendix C

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
Environmental Program and
Strategic Planning

K. G. Tebrugge
Director of
Communications and
Outreach

October 2010
DOE/RL-2010-126-10, Rev. 0
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 October 20, with sponsorship provided by the CHPRC Waste and Fuels Management Project (W&FMP). The three principal themes for the meeting were:
 - Heavy Equipment/Vehicle Safety
 - Home Fire Safety (October was Fire Prevention Month)
 - Winter Safety Campaign
- Four employees of CHPRC received Hero recognition for their selfless response to aid an employee who was in medical distress
- Development and issuance of three Thinking Target Zero bulletins:
 - *Recognizing When Risks Are Increasing*
 - *Space Heater Safety*
 - *ISMS/EMS Declaration*
- Issuance of two Special Safety Bulletins:
 - *National Recognized Testing Laboratory* (NRTL designations for electrical equipment)
 - *Plug/Receptacle Pass Through* (electrical)
- Additional significant SHS&Q related Program activities conducted during the month include:
 - Occupational Safety and Industrial Hygiene (OS&IH) accomplishments:
 - A new Weekly Safety Tailgate communication tool was developed. The inaugural edition was issued on October 25 and provided an update on CHPRC's Chronic Beryllium Disease Prevention Program.
 - The Voluntary Protection Program (VPP) subcommittee established a "Did You Know" communication which will be used as an additional means for communicating useful information to the employees

- The 2010 Winter Safety Campaign theme for the 2010 season is “Don’t Roll the Dice with Winter Snow & Ice.” Promotional badge cards and wall posters have been distributed across the Project.
- The new Spotter Safety Awareness Training program was completed. Plans are to implement the training in November. The program focuses on use of proper hand signals and the safety roles and responsibilities of a vehicle Spotter and Driver.
- Four new WOW Safety Observation video clips were produced at CHPRC’s 100K Area (D&D Project). Three of them will be used to supplement the current training program; the fourth is a promotional commercial designed to raise the level of Program awareness.
- Employees were issued ISMS/EMS/VPP Quiz/Activity booklets. The pocket-size book contains over 50 questions developed to enhance the knowledge of the workforce on the aspects of ISMS/EMS/VPP. Employees completing the booklet will receive safety recognition.
- Initiated a review and evaluation of the hoisting and rigging safety program to determine the sufficiency of program elements, in preparation for OSHA’s implementation of the new Cranes and Derricks in Construction Rule (29 CFR 1926.1400)
- Developed an improvement plan and schedule in the Industrial Hygiene Technician training program at CHPRC’s Soil and Groundwater Remediation Project
- Completed development of technical requirements to support system implementation of the CHPRC industrial hygiene database, and placed the Program into production; trained approximately half of the Industrial Hygienists in use of the database
- Initiated discussion with the Mission Support Alliance Waste Sampling and Characterization Facility on establishing a method by which they can provide ready-to-serve analytical laboratory sample results to the CHPRC in electronic format
- Developed an Industrial Hygienist and Industrial Safety Specialist Qualification Card process and launched a pilot program at CHPRC’s Waste and Fuels Management Project
- Supported field projects with participation in walk-downs, hazard analysis, assessments, and interpretation of requirements
- o Emergency Preparedness (EP) accomplishments:
 - Performed sixteen drills in September; 8 Operational and 8 Full-Up drills
 - PRC-PRO-EM-7647, *Emergency Preparedness Program Requirements*, underwent major revision to more clearly define program requirements based upon lessons learned this year
 - Preparing for upcoming first Quarter Field Exercise to be conducted on November 18th
 - Supported RL in representing CHPRC EP Program during Defense Nuclear Facilities Safety Board visit
 - Successfully conducted EP drill at Solid Waste Processing/12B in support of ISMS Phase II Verification
- o Radiological Control accomplishments:
 - Held the fourth quarter CHPRC ALARA meeting
 - Developed and issued a calibration procedure for the new RadCon Central Counting Facility, Tri-Carb Scintillation Counting System
 - Continued to perform radiological record Management Observation Program observations, to gauge effectiveness of previous corrective actions
 - Continued support towards Phase I and Phase II work control program improvements
 - Completed development of qualification cards for primary radiological company technical authority functional areas
- o Work Control and Performance Improvement accomplishments:
 - Completed the *Annual Integrated Safety Management System and Quality Assurance Effectiveness and Annual Declaration Input* (CHPRC-1002248A R1) letter

- Supported the Records Management group in developing a strategy for their Process Improvement Project
- Continued providing assistance to the Safety Program's site-wide implementation of Electrical Safety Standard, DOE-0359
- Issued Work Management Tool Box
- Completed actions for Work Control Program Phase I implementation efforts at 100K
- Continued actions for Work Control Program Phase II implementation efforts at 100K
- Prepared an update for PRC-PRO-WKM-079, *Hazard Analysis*, related to the implemented Phase I hazard analysis process across CHPRC
- Performed a Work Site Assessment on the implementation of work release process
- Deliverables that were prepared and transmitted to RL in October include:
 - Transportation Documents:
 - Letter, CHPRC-1000767 R3, dated October 12, 2010, Notification of Impact Regarding Issuance of Revision 1-D to the Hanford Sitewide Transportation Safety Document (DOE/RL-2001-0036)
 - Email, Puck Drum CE-SPA
 - Email, Revised 209-E CE-SPA Checklist
 - Email, Revised Sealed Source CE-SPA Checklist
 - Email, Concrete Shielded Overpack Tiedown Analysis
 - Documented Safety Analysis:
 - Letter, CHPRC-1003283, dated October 11, 2010, Request for Approval to Lift Knockout Pot Material Canisters in Support of Safeguard Requirements and Cancel Implementation Activities at 105KW Basin
 - Letter, CHPRC-1002722.2, dated October 14, 2010, Revised Potential Inadequacy in Safety Analysis Determination Associated with the 2010 Annual Unreviewed Safety Question for Transportation Determination Summary Report
 - Letter, CHPRC-1003074, dated October 19, 2010, Transmittal of the Waste Encapsulation and Storage Facility K1/K3 Exhaust System Upgrade Project Major Modification Determination for Review and Approval
 - Documents Received from RL:
 - Solid Waste Operations Complex Drum Lid Release Justification for Continued Operation, Revision 0
 - Approval of 209-E CE-SPA Checklist
 - Prospective Changes to Contract Statement of Work, Section C.3.2, "Integrated Safety Management System," Change Order No. 99
 - Washington River Protection Solutions LLC Response for the Site Transportation Hazards Survey and Emergency Planning Hazards Assessment, DOE/RL-2009-89
 - Approval of the Annual Update of the Documented Safety Analysis (DSA) for the 209-E Facility Critical Mass Laboratory
 - Clarification of Applicability of Condition of Approval PFP-10SED0164-1, Plutonium Finishing Plant Periphery Confinement Barrier Temporary Deviation Controls
 - Contractor Requirements Document O 460.1C, *Packaging and Transportation Safety*, Change Order No. 91
 - Approval of Puck Drum CE-SPA Checklist

- Performance Oversight accomplishments:
 - Quality & Performance Assurance (QPA) completed verification of OFI 5.2 under the HSS assessment of the Hanford Beryllium Program
 - QPA completed an assessment to verify the Corporate Review Follow-up Pre-Declaration actions
 - Performed 52 self-assessments in October.
- Status of SHS&Q Performance Indicator Trend Analysis:
 - **Issue:** CHPRC Failure to Meet Minimum Safety Performance Requirements.
Status: Corporate mid-point effectiveness review scheduled for November.
 - **Issue:** Beryllium program assessment findings from Health Safety & Security Independent Oversight Inspection report.
Status: Supported development of site Beryllium CAP with RL, ORP, and site contractors.
Action: Implementing CHPRC related actions and supporting site-wide actions as per approved 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. Corporate review of OSHA recordkeeping documentation scheduled for November.
 - **Issue:** RL Corrective Action Management Core Surveillance identified needed improvement in performance.
Status: Actions rolled into Common Cause Analysis corrective action plan.
 - **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: 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/on schedule.

Environmental Program and Strategic Planning (EPSP)

Environmental Management System accomplishments:

- 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:

- Conducted an internal evaluation of the Environmental Protection department seeking opportunities for improvement. A department-wide workshop is scheduled for late December to discuss the review and determine next steps.
- WDOH monitored the 201-A and 201-B High-Efficiency Particulate Air (HEPA) filter change-out at WRAP and noted no concerns or issues
- The inspection of radioactive air emission stack 291-B-1 at B Plant was closed out via a letter from WDOH with no issues or findings. Similarly, the September 29, 2010 PUREX inspection was closed out with no issues or findings.
- The 209-E Deactivation Notice of Construction (NOC) was approved by the Department of Health on October 29, 2010, allowing deactivation work to proceed. Eventually this work and follow-on demolition will be addressed under CERCLA authority.

- Submitted Revision 5 of the TRU Project NOC to DOE-RL on October 27, 2010. Approval of this NOC is needed to support construction and operation for future TRU retrieval operations.
- Submitted the revised National Emission Standards for Hazardous Air Pollutants; Radionuclides Quality Assurance Project Plan, Rev. 4, to DOE-RL on September 28, 2010

Strategic Planning Support

- Completed the risk analysis for the Performance Measurement Baseline Revision 2 Update
- Obtained final approvals for the revised Risk Management Procedure and Risk Management Implementation Guide. Both updated documents have been published on the PRC Docs on Line.

Environmental Quality Assurance

Rolling Status of completed EP&SP Assessments as of 10/24/2010

Assessment Type	Total Assessments Completed To-date in FY2011	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

- Approved and implemented nine (9) baseline change requests, of which three (3) were administrative in nature and did not change budget, schedule or scope
- While individual change requests did adjust the contract period PMB budget significantly in October 2010, the overall PMB budget change reduced only \$62.1K. There was no use of management reserve in October 2010. 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.
- Prime Contracts received and processed one (1) contract modification (#127). The Correspondence Review Team reviewed and determined distribution for 24 incoming letters and the Prime Contract Manager reviewed 52 outgoing correspondence packages.
- Prime Contracts participated in several key meetings with RL with the objective of improving customer relations and gaining a better understanding of contract processes. The Prime Contracts Manager attended the RL/CHPRC facilitated Partnering Session, a productive discussion focusing on ways to foster better working relationships to achieve common goals in the contracts/legal area. This activity was followed by a joint RL/CHPRC projects/contracts meeting attended by the contracts group to discuss the Notice of Change process. Both meetings were helpful in building improved client relations and developing a clearer understanding of the processes necessary to successfully manage the contract.
- The ARRA Phase 1-3 and Unsecured Core Project mobile offices have all been received and installed. The final unit, MO2209, MSA Water Utilities completed the final walkthrough and occupancy inspection.
- 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, required to support the remaining space requirements for the Soil and Groundwater Remediation

Project (S&GW) were finalized in October. Bids have been received and are in evaluation for the Mobile Office portion of the procurement. The new units will be located west of MO285 in 200E north of the S&GW shops under construction in the Unsecured Core. Occupancy is anticipated in late January 2011.

- The procurement group awarded 161 new contracts with a total value of \$32.3M, amended 542 existing contracts with a total value of \$2.3M, and awarded 313 new purchase orders valued at \$1.9M to support Base/ARRA acceleration objectives
- As measured at the end of the first 25 months, CHPRC's procurement volume has been significant; \$1.488B in subcontract activity has been recorded with approximately 49% or \$731M in awards to small businesses. ARRA funded activity totals 42% or \$622M of the grand total. This includes 4,376 contract releases, 7,092 purchase orders, and over 123,500 P-Card transactions.
- The procurement organization was subject to an independent assessment by the PERT Team in mid-May (see May Monthly Report). The review confirmed that the CHPRC Procurement system was adequate and in compliance with current PERT system review criteria. However, a weakness was discovered regarding cost/price training of contracting staff, and documented as CR-2010-2205. During this reporting period, the procurement organization, with the assistance of an independent instructor, conducted an in-house workshop on cost/price analysis, which was attended by forty two (42) Contract Specialists, Procurement Leads/Managers, and support personnel. Completion of this cost/price workshop provided the closure requirements for CA#2 of CR-2010-2205.
- CHPRC Procurement submitted the consent package for Babcock Services Shared Service Agreement. This completes the submission of all 11 preselect contracts for consent to RL.

Material Services activities for October included:

- On-line annual P-Card Training was updated based on the recent P-Card internal audit and other changes throughout the year, and was made available to card holders and approving managers.
- P-Card Administration continued to review P-Card holder files in preparation of an Internal Audit that began in late October.
- Issued a message to eBOM users on how to denote an emergency request in PRCMSS. This action was taken as a result a recommendation emanating from the Material Services Management Assessment that was conducted in August.
- Assisted WCH in procuring 4 Cat ID #600597 QL-3 HEPA filters from 300 Area inventory. (These filters were reduced from QL-1 to QL-3 after their shelf life expired in 2007. As QL-3 filters, the shelf life was extended to 06/30/2012. Even though the filters were now QL-3, WCH had an application for them in a testing apparatus.) After this transfer, the remaining 29 filters were identified by the Design Authorities as no longer required and have been declared eligible for excess. When WCH heard the remaining filters were to be excessed (and destroyed per HEPA Filter Procedure), they inquired about transferring them to WCH inventory. Unfortunately for WCH, the only mechanism CHPRC has for transferring the filters is for WCH to purchase them out of CHPRC inventory at the current Average Unit Price of \$325.08 each, for a total of \$9,427.32. There is no mechanism in place for reducing the value of the filters to compensate for their age. In the end, WCH elected to not take the remaining 29 filters.
- Assisted in the return of Scott Respiratory Air Hoses to the manufacturer for refurbishment. There were over 300 hoses in lengths of 25, 50 and 100 feet.
- Continued to provide P-Card reporting support for CHPRC Environmental Protection reporting purposes

Interface Management activities included:

- Liaison with Advanced Technologies and Laboratories (ATL) and CHPRC Projects and SHS&Q to finalize the FY2011 ATL/CHPRC Service Level Agreement (SLA) for forecasted CHPRC high radiation samples to be sent to ATL for analysis. This agreement will serve as the basis for de-

obligation of funds under the Plateau Remediation Contract to make them available to the DOE Office of River Protection to fund ATL to support CHPRC's high radiation sample analysis needs in FY2011.

- Worked with Pacific Northwest National Laboratory (PNNL) to negotiate and complete an update to the Memorandum of Agreement between CHPRC and PNNL for the Performance and Payment of Services
- AMH and CHPRC reached agreement on a new Administrative Interface Agreement (AIA) between AMH and CHPRC on use of the AMH Hanford Patient Information Portal. This agreement was developed by Interface Management at the request of AMH to help insure protection of sensitive information contained in portions of the soon to be released AMH Hanford Patient Portal.
- Working with MSA and the CHPRC Soil and Groundwater Remediation (S&GWR) Project, Interface Management completed a new Administrative Interface Agreement (AIA) documenting the interfaces between MSA Electrical Utilities managed Hanford Site electrical transmission lines and the S&GWR Project groundwater pump and treat transfer and control lines
- Working with the CHPRC Projects and MSA, Interface Management updated HNF-46148, *Interface Control Document between CHPRC and MSA for Water Systems Services*, to incorporate the interface between the new 100-K Area water system constructed by CHPRC in support of its 100-K Area D&D activities and the MSA managed Hanford Raw Water System. The revised ICD is currently in the final release process.
- CHPRC SHS&Q and Interface Management are working with MSA to explore how to best address DOE's request that MSA evaluate the potential consolidation of Hanford Prime Contractor Emergency Preparedness (EP) organizations under MSA. CHPRC and other contractors are concerned that if consolidation of contractor EP organizations were implemented it would not address the root causes of DOE's concerns that drove their request for the study and could result in the creation of other issues associated with implementation of EP planning and execution.
- Continued to work with the CHPRC D&D and S&GW Projects and SHS&Q organization and MSA on resolving continuing issues with MSA Analytical Services function and the MSA Waste Sampling and Characterization Facility (WSCF) in particular not meeting CHPRC's chemical and low-level radiological sample analytical needs
- Supported the CHPRC D&D Project on efforts to develop a path forward to accommodate an MSA proposed raw water supply outage at 100 K Area in December 2010 to accommodate an MSA/WCH project to relocate a portion of the raw water line between the 100-K Area and the MSA 182-B facility
- 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 continued to work with CHPRC Project Controls and Procurement to align MSA service releases with the FY2011 Master Agreements for MSA provided services identified in the DOE J-3 Matrix
- Working with MSA, CHPRC Labor Relations, and CHPRC Projects, Interface Management facilitated an agreement between CHPRC and MSA that CHPRC Crane Operators would continue to be in the MSA and DOT-approved Motor Carrier Program so that they would maintain equivalent qualifications to MSA Crane Operators
- Worked with CHPRC Facilities & Property Management to demonstrate to MSA that an RL Mission Support concern the CHPRC would walk away from CHPRC ARRA facilities at the end of the ARRA, leaving MSA to disposition them at MSA's cost, was unfounded. CHPRC's Project Management Baseline includes resources to disposition CHPRC ARRA facilities.

Engineering, Projects and Construction

Central Engineering (CE) activities included:

- The Preliminary Design Review for the Sludge Treatment Project Knockout Pot Disposition Subproject final design review report was published October 12. The report summarizes the results of the KOP preliminary design.
- Project Chief Engineer System Engineer program Annual Reports were completed; the System Engineer Program Manager Annual Report was completed. The reports summarize the status of the CHPRC System Engineer program.
- Chaired the semi-annual Energy Facilities Contractors Group (EFCOG) Engineering Practices Working Group (EPWOG) meeting in Denver. Representatives from 24 different EFCOG member companies, 3 DOE HQ Offices and the DOE National Training Center met to exchange engineering lessons learned and best practices and to provide support to DOE initiatives. Activities currently in progress include revision/publication of DOE-STD-3024, development of Commercial Grade Dedication and Cognizant System Engineer training, and development of an Engineering software “toolbox.” EPWOG expects to be a contributor to upcoming changes to DOE O 420.1B and DOE STD-1066.
- CE continues to provide potential non-NRTL evaluations. The majority of the items are approved for use in the field once a thorough review has been completed and supporting documentation has been prepared and approved.
- Plans continued for the KE Reactor Core Removal Preliminary Design Review. CE will chair the November 16/17 formal design review. A design review report is scheduled for publication in mid January.
- 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
- Initiated efforts to formally document the Next Generation TRU Trench Face Process System Compliance Matrix into a Functional Requirements Criteria document. CE is working closely with project personnel to ensure that the FDC will include measureable criteria against which to judge the design.

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 removal of a 100-foot-tall radio tower in the Fitzner-Eberhardt/Arid Lands Ecology Reserve, the continued construction of the 200 West Groundwater Treatment Facility, new efficiencies gained in removing contaminated piping from PFP and others. Current issues of the newsletter are available on CHPRC’s external web and feature a wide range of project progress topics.
- This month’s weekly videos for the weekly Recovery Act report covered demolition across the Hanford Site, from the last buildings demolished on the Arid Lands Ecology Reserve to the U Ancillary facilities on the Central Plateau to the completed demolition of the 183KW Sedimentation Basin in the 100K Area along the Columbia River. A special edition of *On the Plateau* showcased CHPRC’s two years on the job, including ARRA progress, and a look ahead for FY2011 goals.
- Representatives from CHPRC attended the third ARRA Info Exchange in Washington, D.C., Oct. 5-6 on behalf of the Hanford Site, joining other DOE-EM projects from across the country in discussing the path forward in the last year of this three-year program

- Supported press materials reporting CHPRC's record-breaking year in well drilling and decommissioning as well as demolition of structures on the Arid Lands Ecology Reserve and the 100K West Reactor Water Treatment Facilities. These accomplishments were featured on DOE-RL's web site and social networking sites as well as in the *Tri-City Herald*.
- The DOE *EM Recovery News* featured CHPRC demolition of the U Plant Ancillary buildings. For the *DOE-EM Update*, CHPRC provided an article on the removal of security and access control structures at the Plutonium Finishing Plant.
- CHPRC joined more than 160 employers and graduate schools at the Washington State University Career Expo and Technical Career Fair to meet with students and alumni and share information about opportunities to join the CHPRC workforce. The event was sponsored by the university's Center for Advising and Career Development and the College of Engineering and Architecture. Since Recovery Act funding was awarded in April 2009, CHPRC has participated in 16 career fairs and received 22,146 resumes and/or applications from potential candidates interested in joining the effort to accelerate cleanup and demolition efforts.
- Produced four *InSite Weekly News* programs aimed at communicating progress, employee engagement and community involvement to the workforce
- Working with an outside contractor, Communications produced a safety video about preventing vehicle and heavy equipment incidents to be shown at the first quarter all-employee meeting
- Led the initial phase of an independent assessment of Project-wide communication effectiveness by organizing worker focus groups and conducting in-depth-interviews with senior management



The October issue of *EM Recovery News* included an update on CHPRC's Recovery Act progress.

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	7.5	7.2	9.1	(0.3)	-4.1	(1.9)	-26.9	972.4
Communications and Outreach	0.2	0.2	0.2					14.6
Safety, Health, Security and Quality	1.1	0.8	1.7					104.5
Environmental Programs and Strategic Planning	0.3	0.3	0.2					34.5
Business Services and Project Controls	5.5	5.5	6.5					783.2
Engineering, Projects and Construction	0.4	0.4	0.5					35.6
<u>PBS Allocations</u> <u>(RL-0XX.99) Total</u>	7.5	7.5	6.9	0.0	0.0	0.6	7.8	972.4
Base Total	3.5	3.5	3.2					811.1
RL-11	0.4	0.4	0.3					48.0
RL-12	0.6	0.6	0.5					87.1
RL-13	0.7	0.7	0.7					266.7
RL-30	1.1	1.1	1.2					185.4
RL-40	0.4	0.4	0.2					161.1
RL-41	0.3	0.3	0.3					58.7
RL-42	0.0	0.0	0.0					4.1
ARRA Total	4.0	4.0	3.6					161.3
RL-11	1.1	1.1	0.8					41.4
RL-13	1.1	1.1	0.7					39.0
RL-30	0.2	0.2	0.9					14.1
RL-40	0.9	0.9	0.8					38.2
RL-41	0.6	0.6	0.5					28.5

Numbers are rounded to the nearest \$0.1M.

Indirect WBS 000**CM Schedule Performance: (-\$0.3M/-4.1%)**

The schedule variance is within threshold.

CM Cost Performance: (-\$1.9M/-26.9%)

The negative cost variance is primarily due to:

- -\$1.3M – IRM Services from LMIT – double accrual of FUR billing charges.
- -\$0.6M –not eligible for High Tech Tax credit, due to reaching maximum limit for calendar year 2010. Eligibility and recognition of next year's credit will start in January 2011.
- -\$0.6M – increased staffing to support the National Beryllium program initiative and to implement improvements in the Conduct of Work program.
- -\$0.3M – correcting prior month over-stated progress on Event Response Vehicle procurement.
- +\$0.3M – FY2011 Pension Plan contribution is \$5M lower than budgeted. Pension payment costs are amortized over the 12-month period, based on realized hours.
- +\$0.6M – higher G&A generated by capital projects and work for others (WFO).

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

Level of Effort.

CM Cost Performance: (+\$0.6M/+7.8%)

The positive cost variance is primarily due the lower FY2011 pension plan contribution (+\$0.3M), higher G&A generated by capital projects (+\$0.6M), and under liquidated indirect cost (+\$2.2M) all of which was offset by a double accrual of IRM Services from LMIT (-\$1.3M) during FY11 startup, maximum limit reached on High Tech Tax credit (-\$0.6M), and the cost to implement the beryllium program and improve Conduct of Work program (\$-0.6M).

A variance of +\$2.2M exists between the indirect WBS 000 and the PBS allocations actual cost. This variance is the result of under liquidated indirect cost. This results from higher G&A generated by GPP/CENRTC and WFO, plus adjustment of ACWP in the current month to the new G&A rate. Reverse accrual of FY 2010 G&A was at 11.38% on base cost. Actual cost or re-accrual was at the new rate of 8.95%. The current policy for allocating indirect cost is to charge a burden based on the approved G&A rate 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	212.2	211.9	195.5	(0.3)	-0.1	16.4	7.7	972.4
Communications and Outreach	4.6	4.6	4.3					14.6
Safety, Health, Security and Quality	37.7	37.4	36.0					104.5
Environmental Program and Strategic Planning	10.1	10.1	8.3					34.5
Business Services and Project Controls	146.9	146.9	135.8					783.2
Engineering, Projects and Construction	12.8	12.8	11.0					35.6
<u>PBS Allocations (RL-0XX.99) Total</u>	212.2	212.2	193.3	0.0	0.0	18.9	8.9	972.4
Base Total	118.1	118.1	115.0					811.1
RL-11	17.9	17.9	17.3					48
RL-12	20.5	20.5	20.4					87.1
RL-13	33.1	33.1	31.9					266.7
RL-30	34.5	34.5	33.9					185.4
RL-40	7.3	7.3	5.7					161.1
RL-41	3.2	3.2	4.4					58.7
RL-42	1.5	1.5	1.3					4.1
ARRA Total	94.1	94.1	78.3					161.3
RL-11	22.6	22.6	18.7					41.4
RL-13	20.3	20.3	18.4					39.0
RL-30	9.5	9.5	8.4					14.1
RL-40	23.7	23.7	17.8					38.2
RL-41	18.0	18.0	14.9					28.5

Numbers are rounded to the nearest \$0.1M.

Indirect WBS 000**CTD Schedule Performance: (-\$0.3M/-0.1%)**

Within threshold.

CTD Cost Performance: (+\$16.4M/+7.7%)

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). The FY2011 variance is provided in the Current Month explanation above.

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

Level of Effort.

CTD Cost Performance: (+\$18.9M/+8.9%)

See Indirect WBS 000 analysis above, excluding the -\$0.3M portion of the CV related to correcting overstated progress (the difference between BCWP and ACWP is not applicable to allocation of actual cost).

A variance of +\$2.2M exists between the indirect WBS 000 and the PBS allocations actual cost. This variance is the result of under liquidated indirect cost. This results from higher G&A generated by GPP/CENRTC and WFO, plus adjustment of ACWP in the current month to the new G&A rate. Reverse accrual of FY2010 G&A was at 11.38% on base cost. Actual cost or re-accrual was at the new rate of 8.95%. The current policy for allocating indirect cost is to charge a burden based on the approved G&A rate and either over or under liquidate the indirect WBS cost.

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.

FY 2011 FUNDS vs. SPEND FORECAST (\$M)

FY 2011			
WBS 000 Project Services and Support	Projected Funding	Spending Forecast	Variance
ARRA	72.3	71.3	1.0
Base	<u>62.6</u>	<u>60.8</u>	<u>1.8</u>
Total	134.9	132.1	2.8
Numbers are rounded to the nearest \$0.1M.			
Communications and Outreach	2.6	2.7	
Safety, Health, Security and Quality	19.3	22.6	
Environmental Program and Strategic Planning	4.6	4.3	
Business Services and Project Controls	102	92.8	
Engineering, Projects and Construction	6.4	9.8	
<u>PBS Allocations (RL-0XX.99) Total</u>			
Base Total	62.6	60.8	1.8
RL-11	7.6	5.4	
RL-12	10.4	11.6	
RL-13	12.2	13.7	
RL-30	20.3	15.3	
RL-40	7.0	2.9	
RL-41	4.8	11.5	
RL-42	0.3	0.4	
ARRA Total	72.3	71.3	1.0
RL-11	20.2	19.0	
RL-13	20.2	20.0	
RL-30	4.9	8.4	
RL-40	15.6	17.7	
RL-41	11.3	6.2	

Funds Analysis

FY2011 New Budget Authority consistent with the PRC baseline is \$132.7M. There were FY2010 activities at \$2.2M carried over to FY2011 funding for a total of \$134.9M.

Baseline Change Requests

BCR-PRC-11-003R0, Incorporate Revised Labor, Non-Labor and Escalation Rates
BCRA-000-11-001R0, FOC & Sup-Project Group Changes to Indirect Accounts
BCRA-PRC-11-004R0, FOC and Other Administrative Changes, October 2010

MAJOR ISSUES

Issue – The CHPRC Contract and the PRC Baseline are not in alignment.

Corrective Action – CHPRC and DOE-RL are working to reconcile the Contract and Performance Measurement Baseline through negotiation of Change Proposals with the goal of completing negotiations in December 2010.

Status – Nine major Change Proposals, to be submitted by December 3, 2010 in support of this effort, are in development.

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.