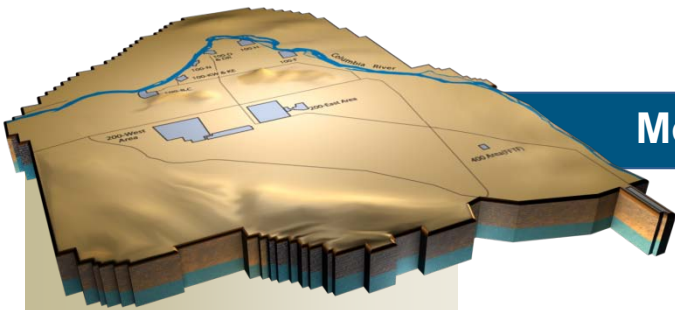


Appendix C

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
Engineering, Projects
and Construction

M. N. Jaraysi
Vice President for
Environmental Program and
Strategic Planning

L. E. Bennett
Director of
Communications and
Outreach

August 2010
DOE/RL-2008-69, Rev. 35
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 continues 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 August 18, and hosted by the CHPRC Plutonium Finishing Plant (PFP). The three principal themes for the meeting were:
 - Accident potential relating to CHPRC's Big 6 (In The Blink of an Eye);
 - Managing stress;
 - Environmental Tip of the Month (Energy Conservation) - use of the Microsoft Office Communicator for video conferencing.
- In addition to these focus areas and coverage of the standard agenda, results of the President's Summer Safety Challenge were reported, a Voluntary Protection Program (VPP) update was provided, and a summary of the PZAC Survey employee feedback was shared. Four employees of CHPRC received Hero/Lifesaving recognition for their selfless responses to aid others in accident or medical distress.
- Additional significant SHS&Q related Program activities conducted during the month include:
 - Development and issuance of the following four *Thinking Target Zero* bulletins:
 - Industrial Hygiene Monitoring
 - Validating Procedures
 - Incorporating Hazard Controls
 - The new Hanford Site Worker Eligibility Tool (HSWET – for reviewing employee training and medical qualifications)
 - In addition, three *Special Safety Bulletins* were also processed covering the following topics:
 - Fit for Duty
 - PAPR Hoses
 - Loose Connection Detected on Airline Hose
 - SHS&Q personnel supported field projects with participation in walk-downs, drills, Hazard

Review Board meetings, 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 includes:
 - Additional hiring of support personnel to assist Projects in Beryllium sampling activities
 - Completion of the corrective action plan to the DOE/HQ Beryllium Program assessment
 - Performance of an internal Work Site Assessment on the use of Beryllium Work Permits
 - Development of related training for Managers, Supervisors, Work Planners, and Persons-in-Charge
- First phase draft of computer-based instructional material for mobile heavy equipment/commercial vehicle Spotter Safety Training was completed in August; commenced with development of the phase two video production demo.
- CHPRC Functional Organization/Support Services personnel qualified as safety observers.
- OS&IH personnel with DOE Richland Field Office (RL) participated in a series of electrical safety field surveillance of CHPRC activities/operations.
- OS&IH continued to work with Washington River Protection Solutions in final strategy development for deployment of the interim CHPRC Industrial Hygiene database.
- Finished the final draft of safety logbook (safety issues and ideas program) electronic database content, to be presented to CHPRC multi-project development group in September.
- Emergency Preparedness conducted a total of 20 drills in August, including ten operational drills. Issued Operational Drill Program procedure.
- Assisted Surveillance and Maintenance is preparing for Limited Quarterly Field Exercise, which will be evaluated by RL in September.
- Issued PRC-PRO-EM-40325, Radiological/Chemical Hazard Event Response procedure to implement consistent radiological and chemical event response across the Projects.
- Work Management personnel supported ongoing efforts to implement an updated Work Control program including visits to multiple facilities to obtain feedback; worked with training to initiate the Responsible Manager training requirements; met with SME and IT representatives on the program updates and develop templates for new work documents forms.
- Work Management completed a draft of PRC-PRO-WKM-12115, *Work Management*, and distributed the draft to RL, CHPRC process improvement steering committee, program Technical Authorities, and others for informal comments.
- Work Management personnel issued Revision 4 of Site Form A-6004-784 Job Safety Analysis (JSA) to support updated requirements for subcontractors.
- Work Management developed draft updates to PRC-PRO-WKM-079 and Automated Job Hazard Analysis (AJHA) program changes to support work control process updates.
- Safeguards and Security supported the DOE Property Management assessment.
- Operations Management accomplishments include:
 - Supported issuance of the Conduct of Operations Applicability Matrix for EPC
 - Published PRC-CHRT-MS-40319, Process Improvement Project Charter
 - Published PRC-MP-MS-40320, CHPRC Process Improvement Project Management Plan
 - Completed Procedure usage survey supporting improvement efforts for Procedure development and use
 - Developed Procedure Program / IRM Path document
 - Developed Procedure Program Process Improvement Plan including development of the IRM path forward documentation

- Finalized Chief Operating Officer Programs Management ISMS/EMS Roles, Responsibilities, and Functions procedure
- Formed Work Management Steering Committee
- Drafted and updated Work Control Phase I implementation schedule.
- Provided Phase 1 Work Management D&D WBS Scopes in support of Work Management Process Improvement roll-out
- Reviewed and provided comments and input on PRC-PRO-WKM-12115, Work Management program
- Deliverables that were prepared and transmitted to RL in August include:
 - Transportation Documents
 - CE-SPA Shipment Evaluation Checklist (SEC) for 209-E Tank Debris
 - Internal Load Securement for boxes packaged inside an IP-1 or Type A container
 - CE-SPA SEC for Shipment of Sealed Sources
 - Internal Load Securement for SuperPigs inside a SWB
 - Updated CE-SPA SEC for Box Shipment to Perma-Fix
 - Extension of RBOX One-Time-Request for Shipment (OTRS), (RL-FH-RBOX-001)
 - Documented Safety Analysis
 - Submittal of the Annual Update of the U Plant Documented Safety Analysis
 - Submittal of Contract Deliverable C.3.2.2-1, Annual Update of the Documented Safety Analysis for the 224-T Facility
 - CHPRC Corrective Action Plan In Response to RL Surveillance of CHPRC Unreviewed Safety Question Process (S-10-SED-PRC-012)
 - CHPRC Transmittal of Positive Plutonium Finishing Plant Unreviewed Safety Question and Associated Justification for Continued Operation
 - Submittal of Contract Deliverable C.3.2.2-1, Annual Update of the Plutonium Uranium Extraction Facility Documented Safety Analysis
 - Request For Extension of Submitting the Corrective Action Plan For RL Surveillance S-10-SED-PRC-012
 - Annual Update to the Master Documented Safety Analysis (MDSA) for the Solid Waste Operations Complex (SWOC) HNF-14741, Revision 7, The Technical Safety Requirements (TSR) for the SWOC, HNF-15280, Revision 7, and the Unreviewed Safety Question (USQ) Evaluation Summary
 - Transmittal HNF-5356, Deactivation and Decommissioning Project: 100K Area Authorization Agreement (AA), Revision 12
 - Approval of Annual Update to the Plutonium Finishing Plant (PFP) 241-Z-361 Tank Documented Safety Analysis (DSA) and the Technical Safety Requirements (TSR)
 - Transmitted the Quarterly Submittal of the Startup Notification Report (QSNR) for CHPRC-Managed Facilities
 - Performed 51 Self-Assessments in August.

- 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: Identified actions are underway and on schedule. Three actions are remaining. (Effectiveness reviews and end-point assessment.)
 - **Issue:** Beryllium program assessment findings from HSS Independent Oversight Inspection report (dated June 2010).
Status: Supporting development of site Beryllium CAP with RL, ORP, and site contractors.
 - **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 action in progress under CR-2010-1315. Four actions remaining.
Action: Monitor to complete.
 - **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 investigations are completed.
 - **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.

Environmental Program and Strategic Planning (EPSP)

Environmental Management System:

- Developed draft objectives and targets for environmental improvement in FY2011. FY2010 targets are on track for completion by the end of the year.

Compliance Inspections and Reviews:

- The RCRA General Inspection of the 400 Area was completed on August 5, 2010, by RL, MSA, CHPRC, and WCH. No major items were found.
- The Ecology Inspection of the 400 Area backup generator and the 200 area Effluent Treatment Facility Solidification Treatment Unit was closed out and no violations of applicable permitting or air emission standards were found.
- The Notice of Violation on the Canister Storage Building from WDOH was responded to via letter from RL on August 23, 2010, providing the requested information.
- Submitted Notice of Construction application for retrieval/disposition of Boxes 80 and 82 for the TRU Project on August 3, 2010, to RL.
- Completed NESHAPs response to RL Surveillance Report S-10-EMD-DOE-001, on August 25, 2010.
- RL and CHPRC responded to the WDOH Notification of Inadequate Radiological Controls at 100-K Area, on August 27, 2010, concluding that the controls were adequate.
- The Compliance Advocate Program and Compliance Program descriptions were completed.

Strategic Planning Support

- Provided information to support responses to Central Plateau RI/FS questions associated with free liquids in drums in above-ground storage, Th-232 and U-233 discharges to liquid disposal sites and tanks during the 1966 and 1970 PUREX thorium campaign, and waste data for pre-1970 burial grounds, including burial grounds located in the 100 and 300 Area burial grounds.
- Completed the risk analysis for the Reapportionment BCR.

Environmental Quality Assurance

Surveillances Completed:

QA-EQA-SURV-10-033, Determine Control of Environmental Documents,-Site Logbooks, and Field Logbooks are in compliance to HASQARD requirements. One finding and no opportunities for improvement were identified.

Independent Assessments Completed:

EPRM-EQA-IA-10-005, Assessment of WIDS: Status of corrective actions initiated to address Findings from DOE surveillance S-09-SED-PRC-009. The final report resulted in five findings and four opportunities for improvement.

FY11 Assessment Planning:

Completed FY2011 Assessment Schedule and submitted it to the IEP for overall **corporate** FY2011 coordination of oversight activities.

Rolling Status of completed EP&SP Assessments in FY2010 as of 08/31/2010

Assessment Type	Total Assessments Completed To-date in FY2010	Results by activity	
		Findings	OFI
Surveillance	58	21	28
Management Assessment	10	8	25
Independent Assessment	2	11	6
Work Site Assessment	16	1	1
Total	86	41	60

Business Services and Project Controls

In August 2010, CHPRC approved and implemented four (4) baseline change requests, of which two (2) are administrative in nature and did not change budget, schedule or scope.

Overall, the contract period PMB budget is reduced \$5,416.5K in August 2010. There is no use of management reserve in August 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

During August, Prime Contracts received and processed eight (8) contract modifications (#104, 112, 114, 115, 116, 118, 119, and 120) from RL. The Correspondence Review Team reviewed and determined distribution for 37 incoming letters and the Prime Contract Manager reviewed 71 outgoing correspondence packages.

Property Management completed the annual inventory of Sensitive Property in August. A total of 4,507 items were scheduled to be inventoried. The final inventory results are as follows:

- Inventory Accuracy: 4,490 items or 99.62% were located
- Inventory Value: \$6,909,841.00 or 99.66% of the total inventory value was accounted for
- 17 Items valued at \$23,303.00 were documented on Loss/Damage/Destruction Reports, investigated and submitted to the RL Organizational Property management Officer (OPMO)

In both categories, CHPRC exceeded the DOE Target Rates for inventory accuracy from the Personal Property balanced Scorecard. On August 26, CHPRC received the results of the annual assessment of the Personal Property Management Program required by CRD 580.1. The assessment concluded that CHPRC has an effective and approved Property System in which no significant issues were identified.

During August, CHPRC Procurement group awarded/amended \$39.1M in subcontracts to support Base/ARRA acceleration objectives. Record levels of procurement volume have been processed over the first 23 months of the contract (\$1.27B in new awards including \$549.6 million for ARRA). The contract-to-date procurement volume encompasses 4,019 releases, 6,560 Purchase Orders, and 109,099 P-Card transactions.

Breakdown of procurement sources by dollars:

- Approximately 94% of total expenditures (\$1.27B) arise from service and staffing contracts and amendments
- Approximately 4% of the reported expenditures are P-Card purchases (\$50.5M)
- Purchase orders for materials and equipment make up less than 2% of the total expenditures

Material Services activities for August included:

- Material Services completed an FY2010 Management Assessment on *Emergency eBOMs Tied to Work Packages*. Assessment found that approximately 25% of eBOMs are coded as emergency. Premium freight is not always authorized on emergency eBOMs, so Material Services will send an informative communication to eBOM users regarding how to complete an eBOM for emergencies.
- Provided PassPort Spare Parts training to 15 PFP personnel consisting of DAs, BTRs, and a Material Coordinator. The DAs were given credit for attending Training Course #063060, PassPort Spare Parts Training for DAs.
- Worked with a Site Forms Designer to convert the Spares Storage Request form from an Adobe form to a Microsoft Word Template.
- Completed two user audits for BMS PassPort Administration, Spare Parts and Catalog ID Setup; some users were identified that could be removed from PassPort; a few others were changed from one security level to another. Changes were communicated to MSA's BMS PassPort Administration.
- Completed review work on PassPort catalog IDs (Cat IDs) with inventory that was statused as NOPURCH (item cannot be ordered as is). After the original list of Cat IDs (808) was scrubbed by DAs, 196 Cat IDs on the spreadsheet were marked for excess, and 295 Cat IDs were left at QL-0 at the DAs request. That left 316 Cat IDs where the DAs wanted the items upgraded to QL-3 if possible. The completed list was re-sorted by warehouse location, and then forwarded to MSA's 2101M warehouse personnel, who will check each item for the existence of a green tag.
- During August, \$7,775.92 worth of items on a Declaration of Excess was sent to MSA's Asset Control. Two more DOEs totaling \$73,297.26 were sent to the field for signature.

Interface Management support continued in August:

- Continued to work with AdvanceMed Hanford (AMH) and within CHPRC on resolution of issues related to scheduling of AMH exams for CHPRC workers.
- A joint AMH/CHPRC facilitated session was held August 19, 2010 to review processes and discuss how CHPRC can improve the current CHPRC processes for developing Employee Job Task Analysis (EJTAs) and AMH medical exams. Follow-up actions identified during the session included improving the CHPRC process for feedback of exam results to subcontractors, revisiting the need for AMH exams for subcontractor DOT/CDL drivers and crane operators, revising CHPRC procedures and subcontract provisions to better communicate requirements and processes, and training CHPRC Project Managers/BTRs/Buyers and subcontractors on requirements, processes, and available tools to improve preparation of EJTAs and scheduling AMH exams to minimize workers "sitting on the meter". Worked with the CHPRC Projects and Advanced Technologies and Laboratories (ATL) to develop a new Administrative Interface Agreement (AIA) between ATL and CHPRC documenting CHPRC's high radiation sample needs for the Hanford Site Chronic Beryllium Disease Prevention Program and the process for sending select samples to offsite laboratories if required to meet CHPRC safety requirements. Interface Management also supported CHPRC's obtaining the required work

turndown from HAMTC to send high radiation asbestos samples and select high radiation beryllium samples to offsite laboratories for analysis and preparation and submittal of the required request to RL for approval to deviate from the DOE J-3, *Hanford Site Services and Interface Requirements Matrix*, to use offsite laboratories for high radiation asbestos and beryllium samples.

- At the request of Pacific Northwest National Laboratory (PNNL), Interface Management initiated discussions with PNNL on a proposed update to the Memorandum of Agreement between CHPRC and PNNL for the Performance and Payment of Services.
- Worked with MSA Electrical Utilities and the CHPRC Soil and Groundwater Remediation Project to reach agreement on how to address MSA concerns related to the proximity of some of the on grade groundwater pump and treat transfer lines to Hanford Site electrical lines. As a part of the resolution, a proposed new Administrative Interface Agreement between CHPRC and MSA addressing interfaces between MSA Electrical Utilities infrastructure and CHPRC S&GW Project Pump-and-Treat process equipment.
- CHPRC Project Controls and Interface Management worked with MSA to finalize a forecast of CHPRC requirements for MSA services through FY2011. In support of AdvanceMed Hanford's (AMHs) planned roll-out of the AMH Hanford Patient Information Portal, Interface Management generated a draft of a new Administrative Interface Agreement proposed by AMH to be between AMH and CHPRC on use of the AMH Hanford Patient Information Portal.
- In preparation for operation of the 242-A Evaporator, MSA installed an orifice in the water feed to the 200 East Area water truck fill station near Gate 814 to reduce water pressure changes at the 242A Evaporator caused by filling of water trucks. This change dramatically slowed down the fill rate for the water trucks supporting CHPRC waste site remediation and waste retrieval activities, hampering CHPRC progress in the field. Interface Management worked with MSA to implement temporary changes to lessen the impact to CHPRC. These changes included gaining CHPRC access to the ERDF water truck fill station at 6618D and installing a portable stand tank at the Gate 814 fill station. CHPRC continues to work with MSA on a long term solution.
- Interface Management supported community outreach by providing the tour guide for a public Hanford site tour.

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 & 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 August included:

- Central Engineering (CE) provided technical support to disposition comments for the Hanford Site Electrical Safety Program, DOE-0359. This document establishes the Hanford Site Electrical Safety Program (HSESP). The HSESP provides the requirements for electrical safe work practices and electrical safety training.
- CE provided an ASME B31.1 code interpretation for piping systems being modified at MASF (Building 437).
- CE issued three Chief Engineer Messages. CHPRC Chief Engineer Message 2010-02 describes the implementation of the graded approach for electrical procurements; CHPRC Chief Engineer Message 2010-03 describes the process for changing the category designation for Configured Drawings; CHPRC Chief Engineer Message 2010-04 describes the process for creating and managing PRC Altered Item Drawings from vendor supplied drawings.
- CE has completed arc flash calculations for WCH. The scope of this task included the three phase portions of power systems located at various facilities (15 sites) in the 100, 200, 300 and 600 Areas.

Completion of this task has enabled WCH to provide arc flash warning labels on equipment, and are now in full compliance with NFPA 70E.

- CE provided to RL a root cause analysis and corrective action for the rejected HEPA filters listed on the Semi-Annual Report on the Filter Test Facility (FTF) data for the first six months of FY2010.
- CE continued to provide technical direction and design review to Sludge Treatment, 200W Pump-and-Treat and, W&FM retrieval and treatment construction projects.
- 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. Videos produced in August showcased CHPRC cleanup progress in all scope areas across the Hanford Site: demolition atop Rattlesnake Mountain at the Arid Lands Ecology Reserve, followed by demolition of access control structures at the Plutonium Finishing Plant and demolition of two reactor support facilities in the 100K Area. A video was also produced to follow-up on Box 82, a box of transuranic waste being removed from underground storage in the trench.

In addition to the weekly report, Public Affairs published its weekly *Recovery Act Update* streamlining weekly progress into a one-page, photo-filled publication for the public audience. Current issues of the newsletter are available on CHPRC's external web and feature project progress as well as CHPRC's efforts to share job opportunities and career development with local veterans.

The August issue of *On the Plateau*, highlighted demolition of the 116KE Reactor Exhaust Stack, efficiencies in glove box loading techniques, waste retrieval in the 200 West Area, clearing of the U Canyon deck, and construction of the 200 West Groundwater Treatment Facility.

The Tri-City Herald featured CHPRC and Recovery Act hire Ty Rose in an article (Aug. 9) and an editorial (Aug. 29) about the impact of the stimulus bill on the state of Washington. Rose also introduced Senator Patty Murray at a campaign rally Aug. 19, where he spoke about the opportunities provided to him at Hanford thanks to Recovery Act funding. The definition of "lives touched" was provided to a freelance reporter who used it in the Aug. 19, The Daily Caller blog. The feature was mentioned in numerous media including Fox News and Friends and Weapons Complex Monitor.

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 demolition of the U Plant ancillary facilities. DOE-EM also published a News Flash about CHPRC's explosive demolition of the 116KE Reactor Exhaust Stack. For future DOE-EM publications, CHPRC submitted two articles demonstrating its outreach to the tribal nations through cleanup on the Arid Lands Ecology Reserve and through local career outreach events, as well as a profile on the drilling subcontractor Carpenter Drilling.

Working with Business Services, Communications updated the Employee Incentive metrics chart and created graphics and a communications plan to distribute electronic and hard copy poster versions. We then worked with HR and IT to update the HR/Rewards and Recognitions web page (added a new "print poster" selection at WFMP suggestion)

Supporting the Environmental organization, we coordinated an August InSite feature about recycling

(paper, toner, and plastic bottles) to meet EMS objectives and targets and DOE goals.

Other Communications support included:

- Worked with Business Services to communicate the Employee Incentive Plan, including developing posters, producing a segment on *InSite*, posting detailed metrics on the intranet, and sending out all employee e-mails.
- Shot progress photos and video of major projects, including well sampling, Interim Storage Vault removal, 200 West Pump-and-Treat, and many others.
- Provided briefings for staffers representing US Senators Jeff Merkley (D-Oregon), Maria Cantwell (D-Washington) and Patty Murray (D-Washington); representatives of the US Environmental Protection Agency; Members of the Confederated Tribes of Umatilla, KPMG auditors; Tri-City Area Chamber of Commerce and public tours at the 200 West Pump-and-Treat facility.
- Completed graphics for presentations on in-situ remediation and apatite barriers.
- Assisted External Affairs with production of the *ARRA weekly report*.
- Reviewed and cleared 49 presentations for external audiences.
- Produced seven *Thinking Target Zeros* and *Special Safety Bulletins*.

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	8.5	8.5	10.2	0.0	0.0	(1.7)	-19.6	958.0
Communications and Outreach	0.2	0.2	0.2					14.8
Safety, Health, Security and Quality	1.5	1.5	2.7					105.0
Environmental Programs and Strategic Planning	0.4	0.4	0.3					34.7
Business Services and Project Controls	6.0	6.0	6.2					767.6
Engineering, Projects and Construction	0.5	0.5	0.7					35.9
<u>PBS Allocations</u> <u>(RL-0XX.99) Total</u>	8.4	8.4	9.3	0.0	0.0	(0.9)	-10.7	958.0
Base Total	3.7	3.7	4.1					796.7
RL-11	0.5	0.5	0.4					47.9
RL-12	0.7	0.7	0.7					85.9
RL-13	0.8	0.8	0.9					261
RL-30	1.3	1.3	1.6					182.1
RL-40	0.2	0.2	0.2					158.1
RL-41	0.1	0.1	0.3					57.6
RL-42	0.0	0.0	0.0					4.0
ARRA Total	4.7	4.7	5.2					161.3
RL-11	1.0	1.0	1.0					41.4
RL-13	1.2	1.2	0.8					39.0
RL-30	0.6	0.6	0.4					14.1
RL-40	1.1	1.1	1.0					38.2
RL-41	0.9	0.9	2.0					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: (-\$1.7M/-19.6%)

The negative cost variance is primarily due to:

- -\$1.2M - National Beryllium program initiative required an increase in staff to implement revised direction, additional sampling and expedited turnaround of Beryllium samples at the WSCF Lab that was unplanned, increased staff to implement improvements in the Conduct of Work program, and a one-time cost entry error.
- -\$0.2M - Construction resources increased in order to take on ownership of additional construction jobs (self-perform) and a FFS retroactive rate adjustment.
- -\$0.3M – Increased pension plan contributions and 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: (-\$0.9M/-10.7%)

The negative cost variance (-\$0.9M) is primarily due to:

- -\$0.4M – Inaccurate cost, due to a multiplier accidentally applied to a staff augmentation labor invoice.
- -\$0.3M – WSCF Lab Analysis for the beryllium program. Depending on quick turnaround time, WSCF adds a multiplier on top of their normal rates.
- -\$0.2M – Additional staff to support Occupational Safety & Health initiatives (increase of 5.8 FTEs), the Beryllium program (increase of 9.1 FTEs), and the Conduct of Work Program (increase of 9 FTEs).

A variance of +\$0.9M 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). Current policy charged the 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. Revised 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	192.2	192.2	177.2	0.0	0.0	15.1	7.8	958.0
Communications and Outreach	4.2	4.2	3.8					14.8
Safety, Health, Security and Quality	34.1	34.1	31.2					105.0
Environmental Program and Strategic Planning	9.3	9.3	7.6					34.7
Business Services and Project Controls	133.0	133.0	124.7					767.6
Engineering, Projects and Construction	11.7	11.7	9.8					35.9
<u>PBS Allocations (RL-0XX.99) Total</u>	191.8	191.8	178.6	0.0	0.0	13.2	6.9	958.0
Base Total	109.0	109.0	108.0					796.7
RL-11	16.8	16.8	16.7					47.9
RL-12	18.9	18.9	19.4					85.9
RL-13	31.1	31.1	30.5					261.0
RL-30	31.5	31.5	31.7					182.1
RL-40	6.6	6.6	5.4					158.1
RL-41	2.7	2.7	3.0					57.6
RL-42	1.4	1.4	1.3					4.0
ARRA Total	82.8	82.8	70.6					161.3
RL-11	19.9	19.9	17.0					41.4
RL-13	17.3	17.3	16.7					39.0
RL-30	8.4	8.4	6.7					14.1
RL-40	21.2	21.2	16.0					38.2
RL-41	16.0	16.0	14.2					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: (+\$15.1M/+7.8%)

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, the cost variance is -\$2.1M and is mostly attributed to: lower than planned receipt of G&A from the projects with costs for GPP and CENRTC being processed later than scheduled (-\$3.1M). This is offset by the underruns in the Retiree Insurance Program (+\$0.9M), due to actual cost percentage being reduced ~1% and a lower than planned labor base.

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

Level of Effort.

CTD Cost Performance: (+\$13.2M/+6.9%)

See Indirect WBS 000 above.

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). Current policy charged the 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 a weighted percentage of the actual cost of project work. The revised 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.

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. Fiscal Year Spend Forecast (\$M)

WBS 000 Project Services and Support	FY 2010		Variance
	Projected Funding	FYSF	
ARRA	57.0	55.8	1.2
Base	<u>50.1</u>	<u>48.1</u>	<u>2.0</u>
Total	107.1	103.9	3.2
Numbers are rounded to the nearest \$0.1M.			
Communications and Outreach	2.7	2.3	
Safety, Health, Security and Quality	21.4	21.4	
Environmental Program and Strategic Planning	5.1	4.0	
Business Services and Project Controls	71.4	69.7	
Engineering, Projects and Construction	6.5	6.6	
<u>PBS Allocations (RL-0XX.99) Total</u>			
Base Total	50.1	48.1	2.0
RL-11	6.8	5.9	
RL-12	9.5	9.3	
RL-13	11.4	12.3	
RL-30	17.4	16.4	
RL-40	2.9	2.0	
RL-41	1.9	2.0	
RL-42	0.2	0.1	
ARRA Total	57.0	55.8	1.2
RL-11	12.1	12.0	
RL-13	14.3	13.6	
RL-30	5.8	5.9	
RL-40	13.4	11.8	
RL-41	11.4	12.6	

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. A \$6.3M funding adjustment was made this month to align funds with the ARRA R2 Reapportionment. The FYSF includes a company level adjustment of -\$5.0M for impending passbacks to the projects for labor burden adjustments.

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.