

Section A

Executive Summary

INTRODUCTION

This section provides an executive level summary of the performance information covered in this report and is intended to bring to Management’s attention that information considered to be most noteworthy. All cost, schedule, milestone commitments, performance measures, and safety data is current as of October 31. Accomplishments, Issues and Integration items are current as of November 17 unless otherwise noted.

The section begins with a description of notable accomplishments that have occurred since the last report and are considered to have made the greatest contribution toward safe, timely, and cost-effective clean up. Following the accomplishment section is an overall fiscal year-to-date summary analysis addressing cost, schedule, and milestone performance. Overviews of safety ensue. The next segment of the Executive Summary, entitled Critical Issues, is designed to identify the high-level challenges to achieving cleanup progress.

The next section includes FY 2001 EM Management Commitment High Visibility Project Milestones and Critical Few Performance Measures.

The Key Integration Activities section follows next, highlighting PHMC activities that cross contractor boundaries and demonstrate the shared value of partnering with other Site entities to accomplish the work. Concluding the Executive Summary, a forward-looking synopsis of Upcoming Planned Key Events is provided.

Note: Milestones tracked and reported in this report consist of two Department of Energy levels. In descending order these levels are 1) Department of Energy-Headquarters (HQ), and 2) Richland Operations (RL). Because it is also useful to distinguish milestones based on specific drivers, the Site applies a designation for those milestones created or tracked to meet the requirements of Enforceable Agreements (EAs). When a milestone satisfies both an EA requirement and a milestone level, it is categorized as both. However, in order to avoid duplicate reporting, this report accounts for each milestone only once. Where an overlap exists between EA and a level (i.e., HQ or RL), the milestone is reported as EA. Additionally, Tri-Party Agreement (TPA) Major and Interim milestones are EA milestones. TPA milestones that are not enforceable are called Target milestones and are included in the TPA/EA milestone tables found in the applicable Project Sections.

NOTABLE ACCOMPLISHMENTS

TRU WASTE SHIPMENTS TO WIPP CONTINUE

The shipment of Transuranic (TRU) waste scheduled to leave Hanford on November 9, 2000, was delayed due to concerns over the weather and the condition of the roads in northeastern Oregon. The shipment was completed on November 11, 2000 with concurrence from all parties that the weather was acceptable.

PFP METALS STABILIZATION ACCELERATED

The processing of plutonium metals was initiated on September 29, six weeks ahead of schedule. Early startup of this milestone effort supports a Spring, 2001 Defense Nuclear Facilities Safety Board (DNFSB) commitment to complete packaging of the metal inventory.

MORE MATERIALS TO BE DISPOSED

The Uranium Disposition Project completed repackaging of four drums of uranium dioxide powder in preparation for shipment to the DOE Portsmouth site in Ohio.

PFM PROJECT W-460 ACTIVITIES CONTINUE

Fabrication of the 2736-ZB Bagless Transfer System (BTS) and Outer Can Welder (OCW) remain on schedule for shipment from Westinghouse Savannah River Company (WSRC) on January 8, 2001 and February 14, 2001, respectively. This second system will double the thermal stabilization capability and eliminate “building to building” material transfers.

SNF READINESS REVIEWS CONTINUE

The RL Operational Readiness Review (ORR) on the Canister Storage Building (CSB), K West (KW) Basin, and Project transportation systems was successfully completed. A significant number of good practices were identified during the RL ORR. The Contractor ORR for the Cold Vacuum Drying (CVD) Facility was also completed.

PERFORMANCE DATA AND ANALYSIS

The following provides a brief synopsis of overall PHMC Environmental Management (EM) cost, schedule, and milestone performance.

FY 2001 Cost and Schedule Performance

Cost Performance — FY 2001 year-to-date cost performance reflects a seventeen percent (\$4.7 million) favorable cost variance. Detailed variance analysis explanations can be found in the Project Sections.

Schedule Performance — There is a FY 2001 year-to-date seven percent (\$2.1 million) unfavorable schedule variance that is within the established +10/-7.5 percent threshold. Detailed variance analysis explanations can be found in the Project Sections.

BASELINE PERFORMANCE STATUS

FY 2001 COST / SCHEDULE PERFORMANCE – ALL FUND TYPES

CUMULATIVE TO DATE STATUS (\$M)

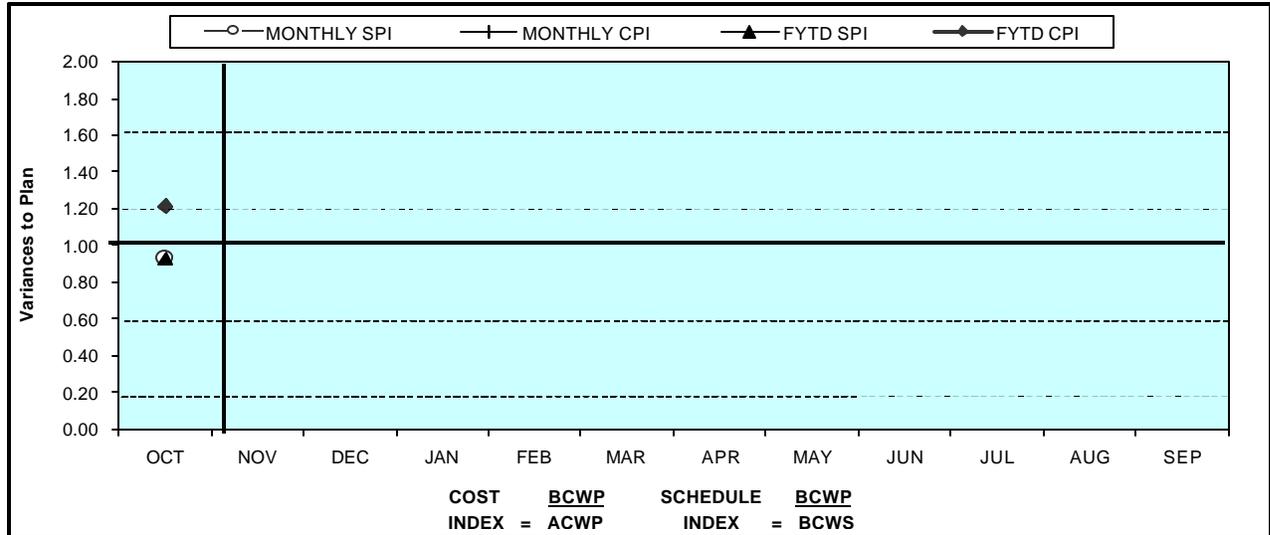
DATA THROUGH OCTOBER 31, 2000

	PEM	Current Fiscal Year Performance (\$ x Million)				
		FYTD			Schedule Variance	Cost Variance
		BCWS	BCWP	ACWP		
The Plateau						
1.2 Waste Management TP02,WM03-05	99.4	5.4	5.4	2.7	0.0	2.8
1.2.4 Analytical Svcs (222-S,HASP,WSCF) WM06	32.1	2.0	2.0	2.9	(0.0)	(1.0)
1.4.5 Nuclear Materials Stabilization TP05	106.5	6.6	5.4	3.9	(1.3)	1.4
Subtotal The Plateau	238.0	14.0	12.8	9.6	(1.3)	3.2
The River						
1.4 River Corridor TP01,TP04,TP08,TP10,TP12,TP14	48.4	3.2	2.4	1.0	(0.8)	1.4
1.3 Spent Nuclear Fuel WM01	189.8	7.3	7.3	9.8	0.0	(2.4)
1.1.2 Advanced Reactors (EM)	1.6	0.1	0.1	0.2	0.0	(0.1)
Technology Development (EM-50)	19.0	1.5	1.2	1.0	(0.3)	0.2
Subtotal The River	258.8	12.2	11.0	11.9	(1.2)	(0.9)
The Future						
1.9 HAMMER HM01	5.6	0.3	0.0	0.3	(0.3)	(0.3)
Subtotal The Future	5.6	0.3	0.0	0.3	(0.3)	(0.3)
Multiple Outcomes						
1.5 Landlord TP13	19.9	0.9	1.5	(0.7)	0.6	2.2
1.8 Mission Support OT01	24.1	1.4	1.5	1.1	0.0	0.4
1.11 & WM07 National Programs OT02, WM07	2.1	0.1	0.1	0.0	0.0	0.1
Subtotal Multiple Outcomes	46.1	2.4	3.1	0.4	0.6	2.7
Total PHMC Projects	548.5	29.0	26.9	22.2	(2.1)	4.7

Notes:

Column headings [Budgeted Cost of Work Scheduled (BCWS), Budgeted Cost of Work Performed (BCWP), etc.] are defined in the glossary at the end of the report. Calculations are based on Project Baseline Summary detail. Waste Management, Analytical Services, River Corridor, and Nuclear Materials Stabilization have included RL-Directed costs (e.g. steam and laundry) in the Project Execution Module (PEM) BCWS. Technology Development does not include ORP/RPP TTPs currently reported in the RL Dataset in PEM.

FY 2001 COST / SCHEDULE PERFORMANCE INDICES (MONTHLY AND FYTD)



FY 2001	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP
MONTHLY SPI	0.93											
MONTHLY CPI	1.21											
FYTD SPI	0.93											
FYTD CPI	1.21											
MONTHLY BCWS	\$ 29,007	\$ 44,808	\$ 39,023	\$ 49,418	\$ 39,119	\$ 41,632	\$ 43,282	\$ 54,385	\$ 41,118	\$ 41,502	\$ 53,733	\$ 71,193
MONTHLY BCWP	\$ 26,898											
MONTHLY ACWP	\$ 22,181											
FYTD BCWS	\$ 29,007	\$ 73,815	\$ 112,839	\$ 162,256	\$ 201,375	\$ 243,007	\$ 286,289	\$ 340,674	\$ 381,792	\$ 423,294	\$ 477,027	\$ 548,219
FYTD BCWP	\$ 26,898											
FYTD ACWP	\$ 22,181											

MILESTONE PERFORMANCE

Milestones represent significant events in project execution. They are established to provide a higher level of visibility to critical deliverables and to provide specific status about the accomplishment of these key events. Because of the relative importance of milestones, the ability to track and assess milestone performance provides an effective tool for managing the PHMC EM cleanup mission.

FYTD milestone performance (Enforceable Agreement [EA], U.S. Department of Energy-Headquarters [DOE-HQ], and RL) shows that two milestones were completed on or ahead of schedule and two milestones are overdue. The two overdue milestones are associated with one project: Spent Nuclear Fuel (Section D).

In addition to the FY2001 milestones described above, there is one overdue milestone [Waste Management (Section B: 1)] from FY1999 and two [Spent Nuclear Fuels (Section D) and River Corridor (Section C: 2)] from FY2000. Further details regarding these milestones may be found in the referenced Project Sections.

FY 2001 information is depicted graphically below and on the following page. For additional details related to the data in the graphs and prior year milestones, refer to the relevant project section titled "Milestone Exception Report."

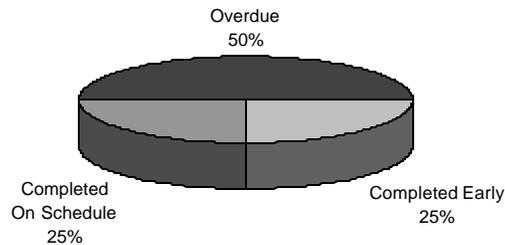
FY 2001 information reflects the Phase 1 MultiYear Work Plans (MYWPs). Changes in both the number and type of milestones from month to month are the result of Baseline Change Requests (BCRs) approved during the year.

TOTAL ALL HANFORD PROJECTS

MILESTONE ACHIEVEMENT

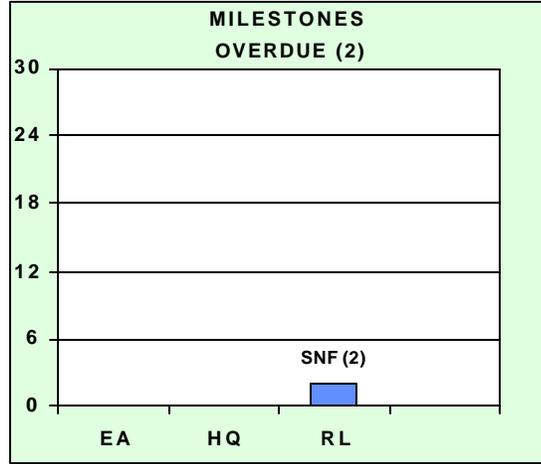
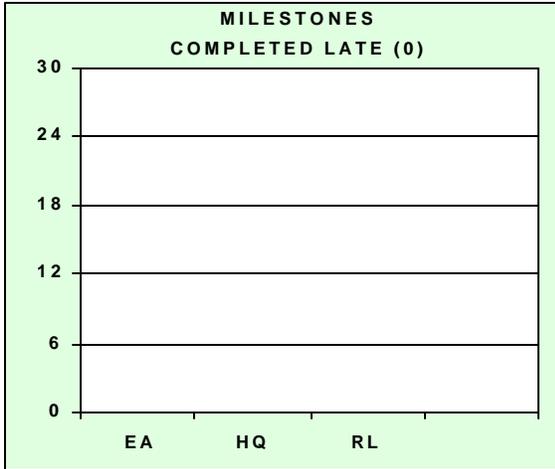
MILESTONE TYPE	FISCAL YEAR-TO-DATE				REMAINING SCHEDULED			TOTAL FY 2001
	Completed Early	Completed On Schedule	Completed Late	Overdue	Forecast Early	Forecast On Schedule	Forecast Late	
Enforceable Agreement	0	1	0	0	0	9	2	12
DOE-HQ	0	0	0	0	0	2	0	2
RL	1	0	0	2	9	25	0	37
Total Project	1	1	0	2	9	36	2	51

Total Project (FYTD)

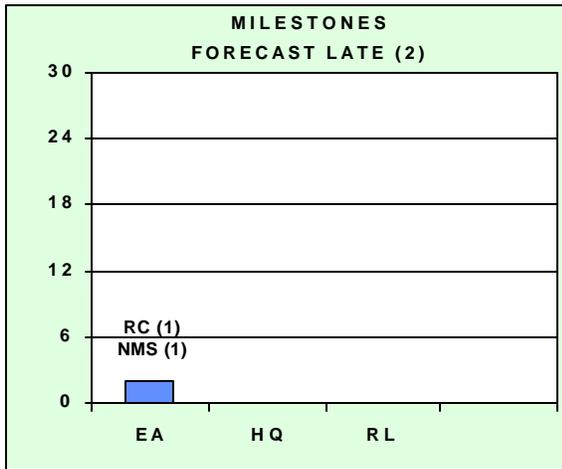


MILESTONE EXCEPTIONS

FISCAL YEAR TO DATE



REMAINING SCHEDULED



These charts provide detail by project and milestone level / type for milestones

- Completed Late
- Overdue
- Forecast Late
- Detailed information can be found in the individual project sections

SAFETY OVERVIEW

The focus of this section is to document trends in occurrences. Improvements in these rates are due to the efforts of the PHMC workforce as they implement the Integrated ES&H Management System (ISMS), work towards achieving Voluntary Protection Program (VPP) “star” status, and accomplish work through Enhanced Work Planning (EWP). Safety and health statistical data is presented in this section.

SIGNIFICANT SAFETY AND HEALTH EVENTS

The Waste Management (WM) Project has demonstrated a significant improvement in their OSHA recordable case rate. WM has recently achieved one million safe work hours without a lost workday case.

The Analytical Services (AS) Project OSHA Recordable Case Rate did have a significant increase in the fourth quarter of FY 2000. AS has been conducting ergonomic evaluations to reduce workplace injuries, and reported taking ergonomic actions at the November Presidents’ Zero Accident Council Meeting. There were no new OSHA recordable cases for October 2000.

The Nuclear Material Stabilization (NMS) Project DOE Safety Cost Index and Lost Away Workday Case Rate are zero. The Employee-led Zero Accident Council has been instrumental in the improvement in workplace safety.

The River Corridor (RC) Project OSHA Recordable Case Rate remains low, however, there has been a significant increasing trend with four cases during June 2000 through August 2000. RC has recently achieved one million safe work hours without a lost workday case.

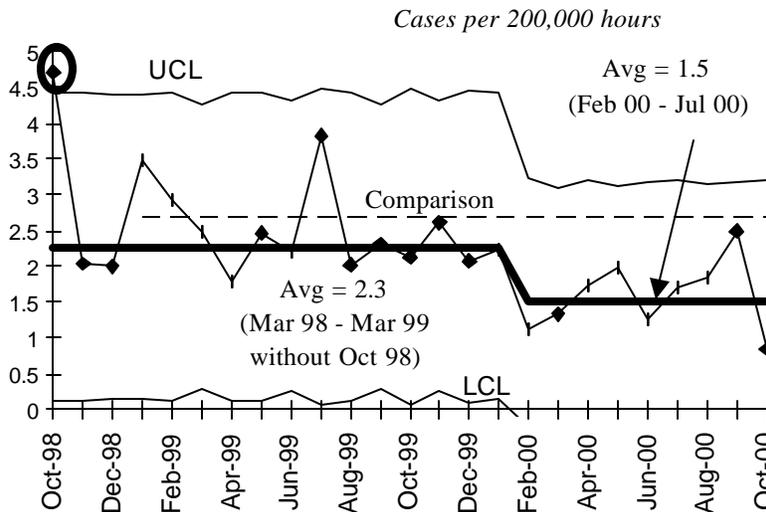
The Spent Nuclear Fuels (SNF) Project OSHA Recordable case rate is stable at a relatively high value (current baseline is 2.5 cases per 200,000 hours). SNF reached two million safe work hours during November 2000.

The Landlord (LL) Project Lost Away Case Rate is very good, and LL is close to exceeding two million safe work hours. LL may be showing some signs of improvement in their OSHA recordable case rate, but it is not yet significant.

Due to space constraints, FY1996 and FY1997 data is not portrayed on the following graphs.



Total OSHA Recordable Case Rate



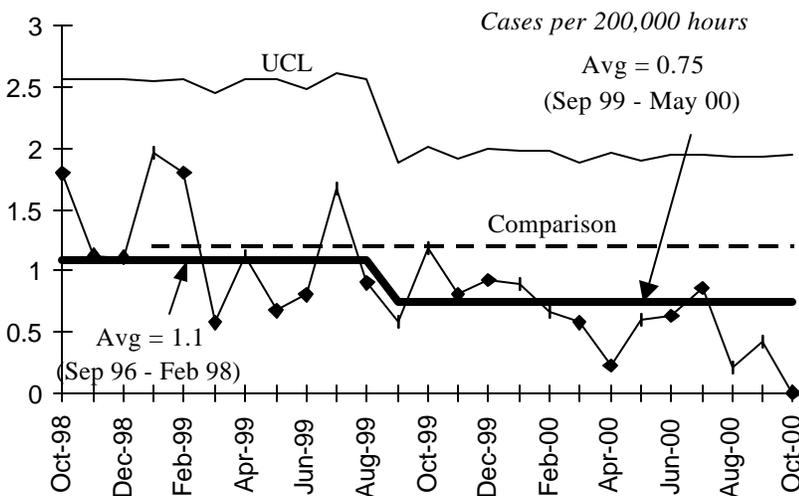
FY 2000 = 1.9
 FY 2001 to date = 0.9
 Contractor Comparison
 Average = 2.7 (CY99)

Recent data have been stable within the new 1.5 baseline. The FH Team continues to look for opportunities for injury reduction in the areas of ergonomics and lacerations.

FH implemented a program to target an OSHA Recordable Case Rate of 0.9. The Fluor Global Services goal is 1.0. This is in line with Fluor's corporate value of safety and our commitment to the safe clean-up of the Hanford Site.

A team investigating Health Physics Technician injuries reported findings and actions at the November 2000 Presidents Zero Accident Council. HPT's are the leading source of injuries, and these are primarily ergonomically related. Actions are being taken to address human factors issues with equipment and the aging workforce through the cooperation of the HPT's, their management, ES&H, and HEHF.

OSHA LOST/RESTRICTED WORKDAY CASE RATE



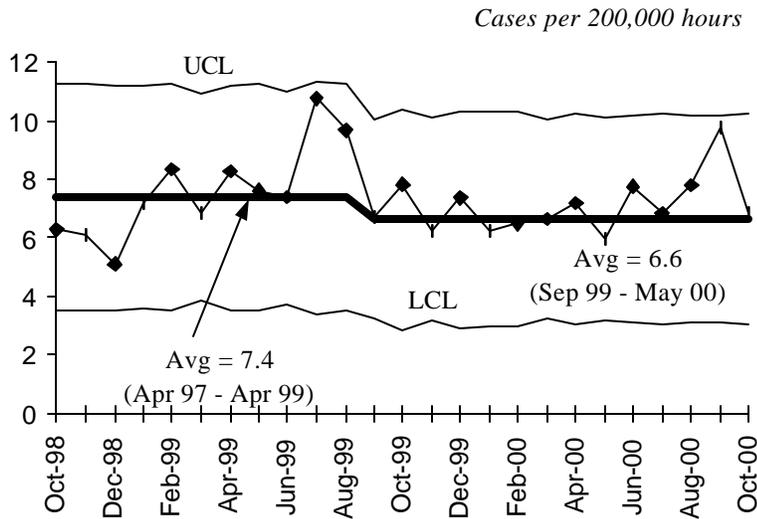
FY 2000 = 0.65
 FY 2001 to date = 0.00
 Contractor Comparison Average = 1.2 (CY99)

Data continue to be at or below the current baseline average established for September 1999 - May 2000, but is not yet a significant trend.

The FH Team has accumulated over 10 million safe work hours since mid-December 1999 without any new lost away workday cases.



First Aid Case Rate



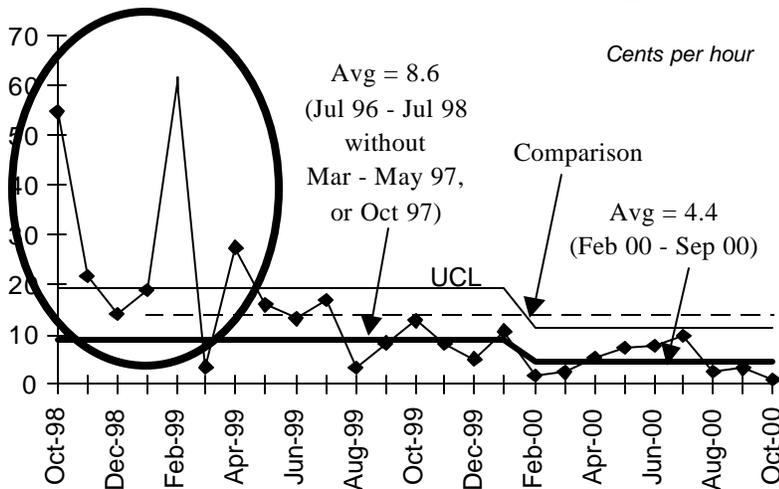
First Aid Rate undergoes seasonal cycles. Increases occur in warmer weather due to insect and animal encounters, and due to wind related minor injuries. First Aid case rate has remained relatively stable, a good indicator that injuries are not being under-reported.

There was a nearly significant increase in September 2000, but the increase appears to be primarily related to summer increases in insect and wind hazards. Past activities to increase awareness of wind hazards and actions to control insects and animals appear to be having an effect.

The hazard of receiving wind-borne debris in eyes when working outdoors has considerably increased due to the bare, exposed sand left by the Hanford wildfire.



DOE Safety Cost Index



FY 2000 = 6.3
 FY 2001 to date = 0.9
 Contractor Comparison Average = 13.9 (CY99)
 This indicator has had new average and control limits calculated reflecting recent significant decreases in the cost index. This decrease is primarily related to the reduction in Lost Away workday injuries. Past data continue to be corrected as further days accumulate on any work restrictions or lost days.

CRITICAL ISSUES

- INABILITY TO MEET ACCEPTANCE CRITERIA DELAYS CELL CLEANUP**
 Hot spots on the bottom of Steel Waste Disposal Boxes loaded with Rectangular Grout Containers from the 324 Building are more radioactive than the current Central Waste Complex (CWC) acceptance criteria of one rem per hour. The shipment schedule/in-cell work schedule has been delayed, but several actions are being pursued. See the River Corridor Project Section C: 2 for more information.

EM MANAGEMENT COMMITMENT MILESTONES

EM Management Commitment Milestones are currently being negotiated and will be reported when approved.

CRITICAL FEW PERFORMANCE INCENTIVES

Performance Measure	Data Through October 2000
Spent Nuclear Fuel:	
Measure - Amount of fuel removed	
Initiate Removal of KW Basin SNF	Green
Amount of SNF removed from the K Basins	TBD
Complete KE IWTS Definitive Design	Yellow
324/327 Building Deactivation:	
Measure - Number of buildings dispositioned	
Deactivate 324	Green
Deactivate 327	TBD
Waste Management:	
Measure - Adequacy of waste management services support	
Complete number of 242-A evaporator campaigns	Green
Maintain LERF basins inventory and treat 200-UP-1 groundwater	Green
Measure - Treat and Dispose MLLW	Green
Measure - Certify TRU/TRUM for shipment to WIPP	Green
Measure – Amount of sludge removed	Green
Prepare T Plant Canyon Deck to support K Basin sludge receipt	Green
Remove Large Items from the Canyon Deck	Green
Measure - Remove Shippingport fuel from T Plant	Green
Plutonium Stabilization:	
Measure – Pu metal/oxides/other type items stabilized	
Pu metal/oxide/polycubes stabilized (items)	Green
Pu Solutions stabilized	Yellow
Pu Residues stabilized (kg bulk)	Green

Yellows noted above are behind schedule but recoverable. Red is either missed or unrecoverable. Details can be found in the Project Sections.

KEY INTEGRATION ACTIVITIES

The following are the key technical integration activities that are currently underway and cross project/contractor lines. These activities are being addressed by inter-discipline and inter-project groups and demonstrate that Hanford Site contractors are working together to accomplish the EM Clean up mission.

- Waste Management (WM) continues working with RL, DOE-HQ and other Sites to develop and define Hanford's role in disposing of waste from other sites. A comprehensive strategy will be developed for the DOE complex low-level waste with the Nevada Test Site by the end of FY 2001.
- WM supporting the Office of River Protection Waste Treatment Plant.

- WM supporting visits from both the DOE-Idaho Program Office and the Office of the Inspector General in regards to opportunities for treatment/disposal of Idaho National Engineering Environment Laboratory (INEEL) wastes at Hanford.
- WM continues working with PNNL, EM-50 and Mixed Waste Focus Area (MWFA) to obtain funding in support of mixed waste processing.
- Analytical Services continues to support ORP efforts to establish required analytical support for Waste Treatment Plant (WTP) design and operation.
- Through involvement with the National Facility Deactivation Initiative, Hanford, Rocky Flats, and Savannah River, a joint proposal for a contaminated large equipment size reduction system deployable at the three sites was completed and submitted. River Corridor Project and FH Technology Management personnel met with PAR Systems to preview the glovebox size reduction system that is being developed for the Rocky Flats site. This is an *ex-situ* system that is scheduled to begin operation in the fall of 2001. Hanford should benefit from the experience gained at Rocky Flats over the next several years.
- Spent nuclear fuel (SNF) final disposition interface activities, including Office of Civilian Radioactive Waste Management (OCRWM) Quality Assurance (QA) Program implementation, is ongoing with the National SNF Program. The SNF Project participated in a National SNF Program strategy meeting that resulted in commitments for resolution of issues related to OCRWM data qualification requirements, licensing strategy for RL-owned SNF inventories, and analyses for evaluating acceptability of N Reactor fuel receipt at Yucca Mountain.
- The SNF Project and the River Corridor Project interfaced on contracting strategies and records management for 324 Building (B Cell) SNF removal.
- The SNF Project and Waste Management Project continued preparations for K Basins' sludge removal and Shippingport (PA) Pressurized Water Reactor Core 2 SNF removal.
- Bechtel Hanford, Inc. transmitted a revised transfer plan for SNF discovered during upcoming 105F and 105H reactor basins deactivation for SNF Project review and approval. This transfer plan incorporated earlier SNF Project comments.

UPCOMING PLANNED KEY EVENTS

The following key events are extracted from the authorized baseline and are currently expected to be accomplished during the next several months. Most are Enforceable Agreement (EA), HQ or DNFSB Milestones.

Waste Management:

- Accelerate Readiness at T Plant to Receive and Store Spent Nuclear Fuel K Basin Sludge -
 - Complete procedures, training, and Operations Readiness Review (ORR) by June 2001.
 - Complete entire deck clearing in FY 2001.
 - Complete safety basis documentation and long lead procurements in FY 2001.
 - Install handling, drying and loading equipment in FY 2001.

Nuclear Materials Stabilization:

- Receive delivery of the 2736-ZB BTS and Outer Can Welder (OCW) during the second quarter of FY 2001.
- Complete repackaging of Pu metal inventory by March 31, 2001.
- Complete modifications to one vault cubicle by April 2, 2001.
- Complete repackaging and shipping of Rocky Flats Ash to the Central Waste Complex (CWC) by April 30, 2001.
- Initiate polycube stabilization in third quarter of FY 2001.

River Corridor Project:

- Complete Facility Evaluation Board review during first quarter of FY 2001.
- Implement technical update of 324 Authorization Basis (Safety Analysis Report) by mid-December, 2000 and implement technical update of 327 Authorization Basis (Basis of Interim Operation) by March, 2001.
- Complete Removal of 324 Building Radiochemical Engineering Cell (REC) B Cell Mixed Waste (MW) and Equipment in the first half of FY 2001.
- Begin 224-T facility initial entry and characterization by early March 2001.
- Complete shipment of approximately 235 metric tons of excess uranium billets and approximately 5 metric tons of uranium dioxide to the DOE Portsmouth site in Ohio by March 31, 2001 and disposition approximately 140 metric tons of surface contaminated uranium fuel by June 30, 2001.
- Complete shipment of B Cell waste currently stored in A Cell to the 200 Areas in July 2001.

Spent Nuclear Fuels:

- Begin K West (KW) Basin fuel removal, drying and storage operations in November 2000.
- Complete RL Operational Readiness Review for CVD in November 2000.
- Start KW Basin canister cleaning in December 2000.
- Complete K East (KE) Basin Sludge Loadout conceptual design in January 2001.
- Complete KE Basin Integrated Water Treatment System definitive design in April 2001.
- Continue receipt of MCO shipments through FY 2001.

Landlord

- Complete Project L-309, “Replace Main Water Lines” by December 22, 2000.
- Complete installation of a chlorine containment system for Project L-303, “200 West Area Chlorine Mitigation” by January 31, 2001.