



Section J

Plutonium Finishing Plant

PROJECT MANAGERS

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INTRODUCTION

The Plutonium Finishing Plant (PFP) consists of Project Baseline Summary (PBS) RL-CP03, Work Breakdown Structure (WBS) 3.3.3.

NOTE: Unless otherwise noted, all information contained herein is as of the end of February 2002.

Fiscal-year-to-date milestone performance (EA, DOE-HQ, and RL) shows that one milestone was completed two days late and one FY 2001 milestone is overdue. Further details can be found in the milestone list.

NOTABLE ACCOMPLISHMENTS

Maintain Safe & Secure SNM WBS 3.3.3.1

Semi-annual inventory of Material Balance Areas (MBA) 212, 213, 217, 221, 231, and 250 were completed during February.

Maintain Safe and Compliant PFP WBS 3.3.3.2

The internal assessment on the Hazards Communication program was completed with no significant findings. Attendance at training improved from 88.5 percent to 96.3 percent in February. RL has approved Revision 3 to the Final Safety Analysis Report (FSAR). This revision, incorporating thirty-five non Unreviewed Safety Questions (USQ) Engineering Change Notices through June 2001, will be implemented in March. The 2736-ZB large fire Justification for Continued Operations (JCO) has been resolved with RL.

Stabilization of Nuclear Material WBS 3.3.3.3

Residues — The last of the Hanford ash was measured and packed into a Pipe Overpack Container (POC) on February 13, 2002. The final shipment of Hanford Ash to the Central Waste Complex (CWC) is expected to be completed in early March, well in advance of the August 31, 2002 Tri Party Agreement (TPA) milestone (TRP-02-504). Activities associated with repackaging of Sand, Slag, and Crucible (SS&C), except those associated with measurement, were completed and startup of repackaging was authorized on February 14, 2002. Processing of this material during the first month was more than twice the planned rate.

Solutions ¾ During February production for the Solutions Stabilization Project was 230 liters. This includes: (1) 170 liters via oxalate precipitation, (2) 20 liters of direct discard and (3) 40 liters from inspection of four product receiver containers that were verified as empty. RL approval to use the Loss On Ignition (LOI) moisture measurement for processing of Critical Mass Laboratory (CML) material will result in completion ahead of schedule by March 5, 2002. Startup activities supporting the feed shift from completion of CML solution processing to non-typical solutions (lab nitrate, carbonate, flush material) have been completed and processing of this material is expected to commence in early March. Preparations are also underway to begin processing Double Pass Filtrate material in late March. The final eight drums of direct discard material are expected to be shipped to the Central Waste Complex by mid-March, resulting in completion of the March 31, 2002, TPA milestone (TRP-02-505) ahead of schedule. The cumulative percentage of solutions (by volume and total plutonium) processed is now 61 percent and 87 percent respectively.

Project W-460 ¾ Final walkdown of the final phase of Project W-460, construction of an enhanced security entrance into the 2736-ZB building, will be completed in early March. This fast track project enabled early beneficial use of this enhanced entrance in late February.

234-5Z Stabilization Processing Operations ¾ A total of 506 Bagless Transfer Containers have been produced in the 234-5Z facility as of the end of February, nineteen of which were produced during February. A greenhouse has been fabricated and installed and all preparations completed to begin final TGA installation in early March with operation of the new TGAs targeted for April 3rd. Likewise, preparations continue to commence polycube processing in late March, approximately six months ahead of schedule.

2736-ZB Stabilization Processing Operations ¾ A total of 18 Bagless Transfer Containers have been made since startup of the process in late November 2001; thirteen of which were produced during February. Resolution of the weld porosity issue with the Outer Can Welder has continued and is now nearing completion with restart expected in early March.

Disposition of Nuclear Material WBS 3.3.3.4

Nothing significant to report.

Disposition PFP Facility WBS 3.3.3.5

The first RL, FH and PFP workshops on developing the PFP deinventory regulatory strategy and plan were held on February 26th. Additional workshops are being planned to support a final product in June. The initial Draft of the DOE-HQ sponsored "Alternate SNM Storage Study" was completed February 27th and delivered to RL and DOE-HQ. Detailed discussions with RL and the Washington Department of Ecology (WDOE) have resulted in significant progress in identifying mutually acceptable Tri Party Agreement (TPA) milestones for the Decommissioning Project. Concurrently, detailed planning for implementation of both the safety basis and criticality safety planning has been initiated and a contract is being placed to perform the safety basis planning. An accelerated decommissioning plan and a detailed schedule are being developed to isolate the 241-Z facility from Tank Farms.

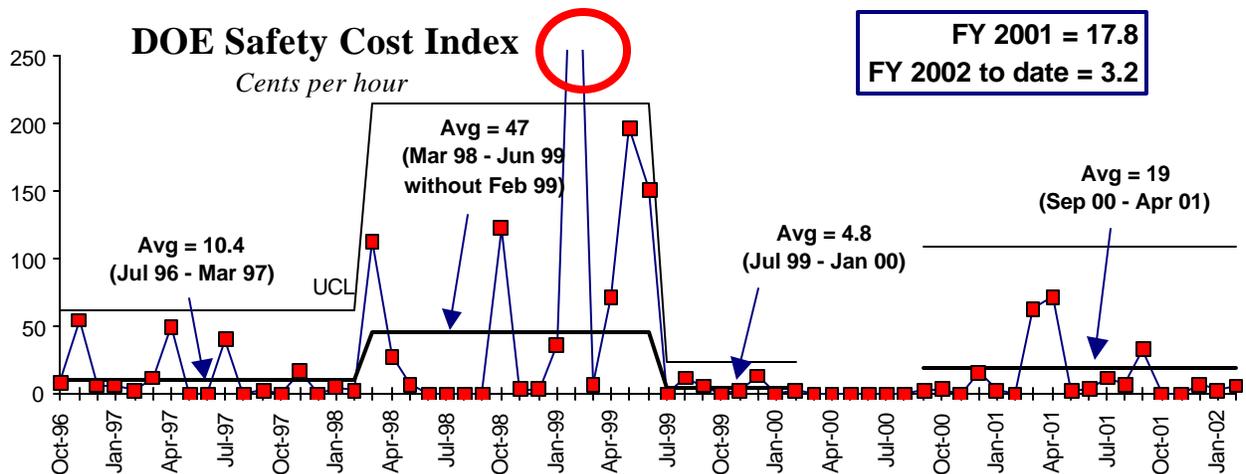
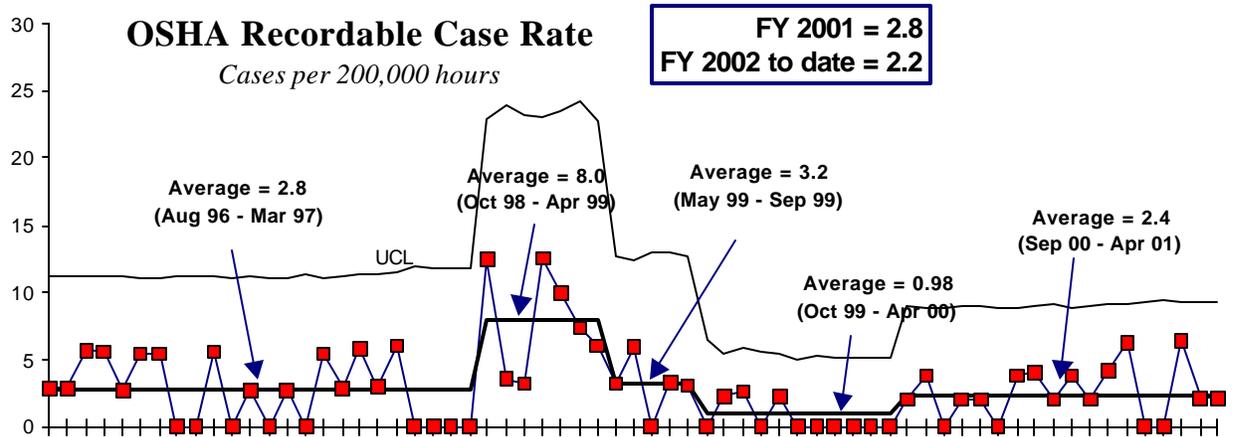
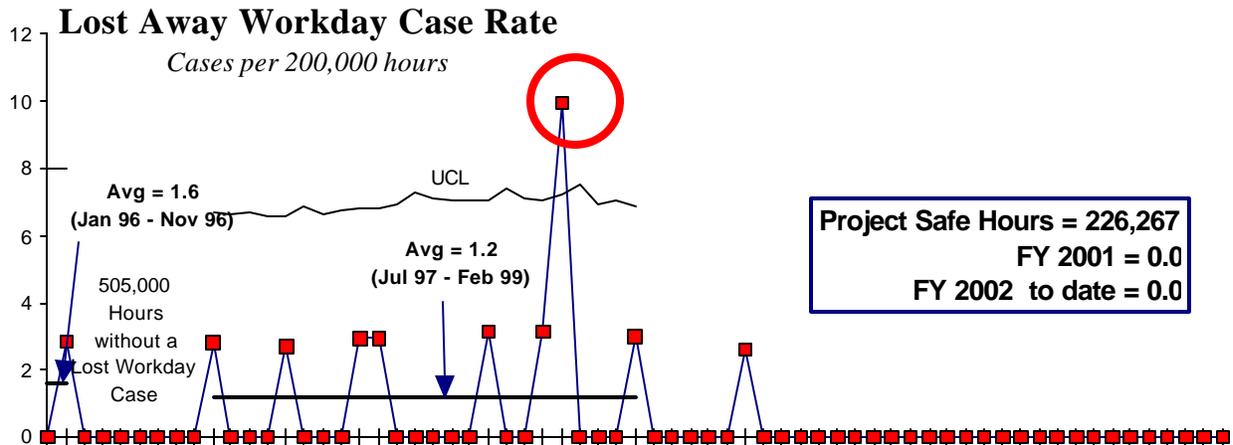
Project Management & Support WBS 3.3.3.6

The OA-50 audit team completed their audit pertaining to Integrated Environment, Safety, and Health Management System (ISMS) implementation. The PFP recorded no lost time injuries during February.

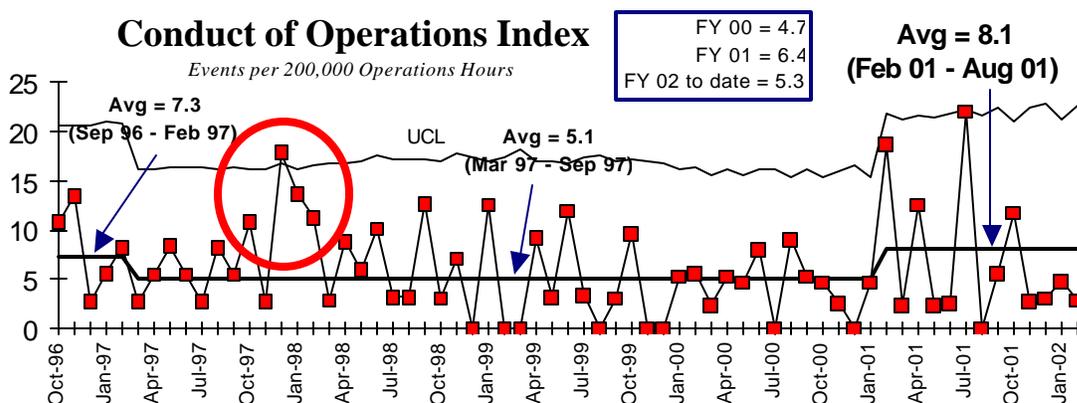
SAFETY

Green

A lost workday injury was recorded during December 2001 that reset the calculation for hours without a lost workday injury to December 18, 2001. There now have been 226,267 safe hours since that time.



CONDUCT OF OPERATIONS



BREAKTHROUGHS / OPPORTUNITIES FOR IMPROVEMENT

Breakthroughs

Deactivation Initiative ¾ Development and submittal of a conceptual PFP Accelerated Decommissioning Initiative identifying enabling decisions and path forward to complete PFP decommission project another seven years earlier with additional savings estimated at approximately \$550 million. This initiative was presented to DOE-HQ in February.

Opportunities for Improvement

Processing Improvement — Currently the Stabilization & Packaging Equipment (SPE) team is exploring improving processing efficiency through modifying the material processing time and post stabilization test sequence. Results of this effort are expected in late March.

Life Cycle Cost Savings ¾ PFP plant management in conjunction with Pacific Northwest National Laboratory (PNNL), Protection Technology Hanford (PTH), and RL presented a new path forward to DOE-HQ that would allow the PFP to stabilize nuclear material under International Atomic Energy Agency (IAEA) Safeguards without direct IAEA involvement. This new idea, requiring approval by both the United States State Department and the IAEA, will result in significant economic life cycle savings.

UPCOMING ACTIVITIES

Shipment of Hanford Ash — Complete the final shipment of Hanford Ash to the Central Waste Complex (CWC) in March to support early completion of the August 31, 2002 Tri Party Agreement (TPA) milestone (TRP-02-504). All shipments of POCs to the Central Waste Complex (CWC) were suspended in February until completion of the review of the fire hazards analysis.

Outer Can Welder operations — Restart Outer Can Welder in early March. Authorization for restart was granted on February 25th but required completion of an acceptance test, which was initiated in late February.

Solutions processing continuing — CML processing is now completing; pump failure before inventory impacted load-in and is delaying completion of CML material into March. Upon completion of CML

processing, processing of non-typical solutions (lab nitrate, carbonate, flush material) will commence. Processing of Double Pass Filtrate material will follow in late March. Thermogravimetric Analyzer (TGA) installation will complete in early March and operation of the new TGAs will occur on April 3rd.

Direct discard material shipments ¾ Complete shipment of the final eight drums of direct discard material to the Central Waste Complex in March to complete the March 31, 2002 TPA milestone (TRP-02-505) ahead of schedule.

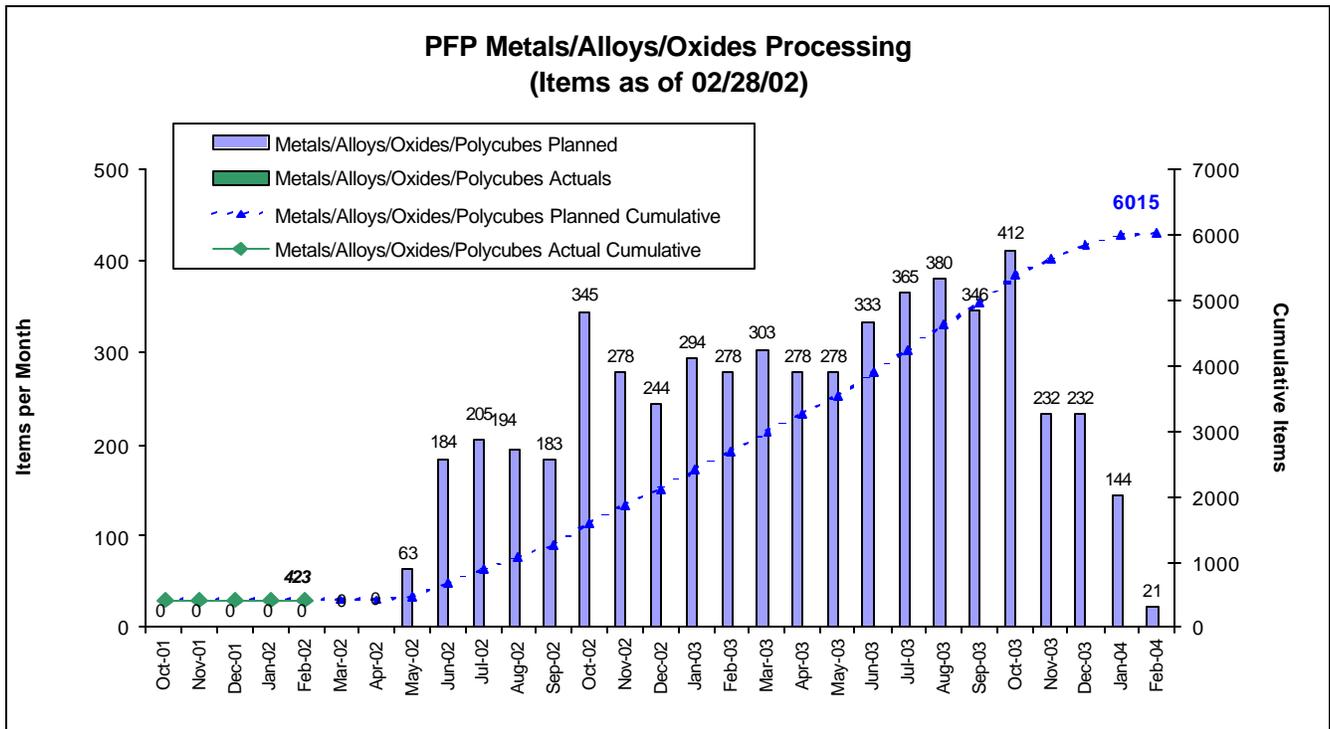
Polycube processing ¾ Initiate startup of polycube processing in late March.

MILESTONE ACHIEVEMENT

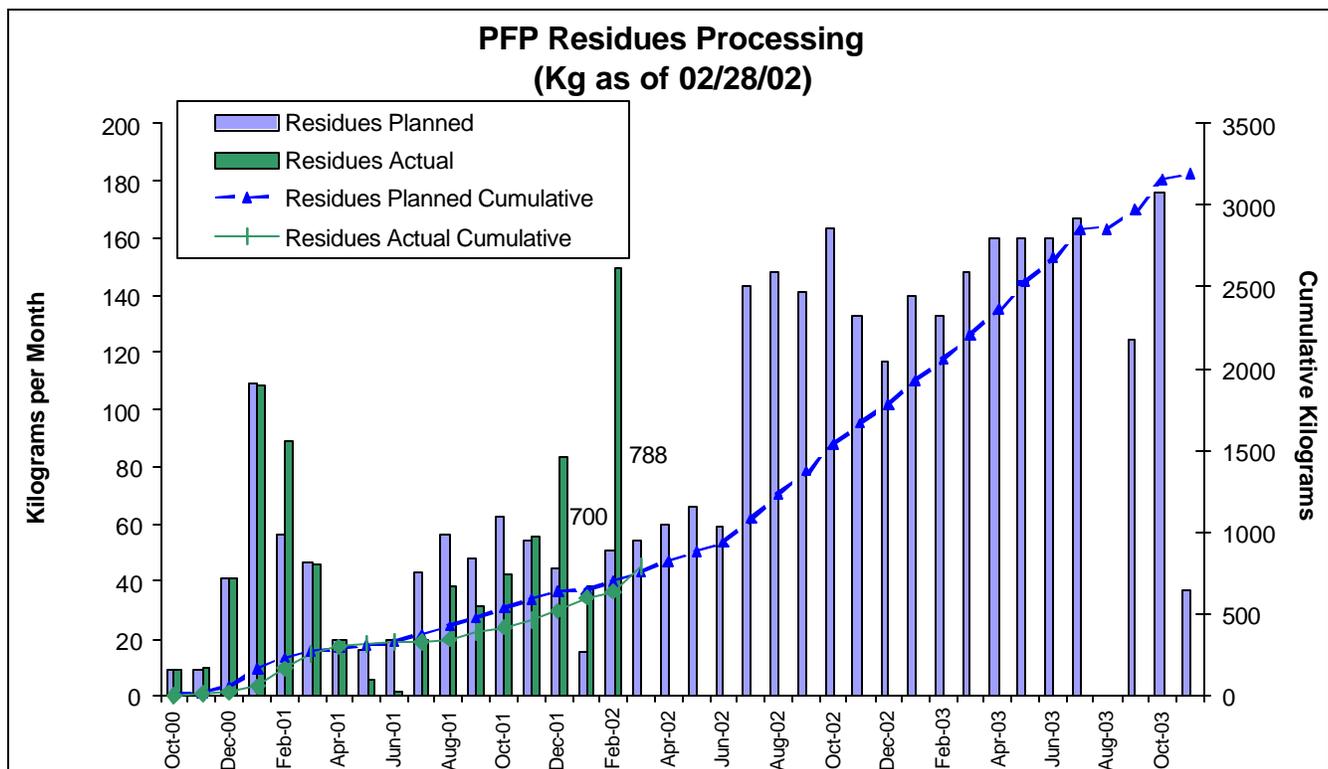
Number	Milestone Title	Type	Due Date	Actual Date	Forecast Date	Status/Comments
TRP-01-501	Package Alloys for disposition to WIPP or stabilize & package per DOE-STD-3013 criteria	DNFSB	06/30/2001		Moisture Measurement Resolution +60 Days	
TRP-04-505	Hot Startup of the 2736-ZB Stabilization & Packaging System	PI	11/27/2001	11/29/2001	11/29/2001	
TRP-02-505	Complete Direct Discard of Selected Solutions	TPA	03/31/2002		03/11/2002	Ahead of schedule
TRP-01-500	Complete Stabilization & Packaging of Plutonium Solutions	DNFSB	07/31/2002		10/16/2002 (Baseline)	On schedule to Baseline date Behind schedule to DNFSB date
TRP-02-501	Complete Stabilization & Packaging of Polycubes	DNFSB	08/31/2002		3/21/2003 (Baseline)	On schedule to Baseline date Behind schedule to DNFSB date
TRP-02-504	Complete Repackaging & Shipment of Hanford Ash to CWC	TPA	08/31/2002		03/07/2002	Ahead of schedule
TRP-04-506	Completion of all PU Stabilization & Packaging	PI Stretch	02/18/2004			On schedule
TRP-04-507	Complete Repackaging & Shipment of Sand, Slag and Crucible to CWC	TPA	01/30/2004			On Schedule
TRP-03-500	Complete Stabilization & Packaging of Residues	DNFSB	04/30/2004			On Schedule
TRP-05-500	Complete Stabilization & Packaging of Oxides >30% Pu/U	DNFSB	05/31/2004			On Schedule
TRP-08-500	Dismantlement NEPA/ CERCLA Decision Document Complete	RL	09/30/2005			On Schedule
TRP-06-501	Complete 100% of Legacy Pu Holdup Removal & Disposition	PI Stretch	09/30/2006			On Schedule
TRP-06-502	232-Z & PPSL Annex Demolished to Slab-on-Grade	PI Stretch	09/30/2006			On Schedule
TRP-06-503	Protected Area Reduced to 2736-Z/ZB and Yard Storage	PI Stretch	09/30/2006			On Schedule
TRP-06-504	Relocate SNM Required to Reduce the PFP Protected Area	PI Stretch	09/30/2006			On Schedule

PERFORMANCE OBJECTIVES

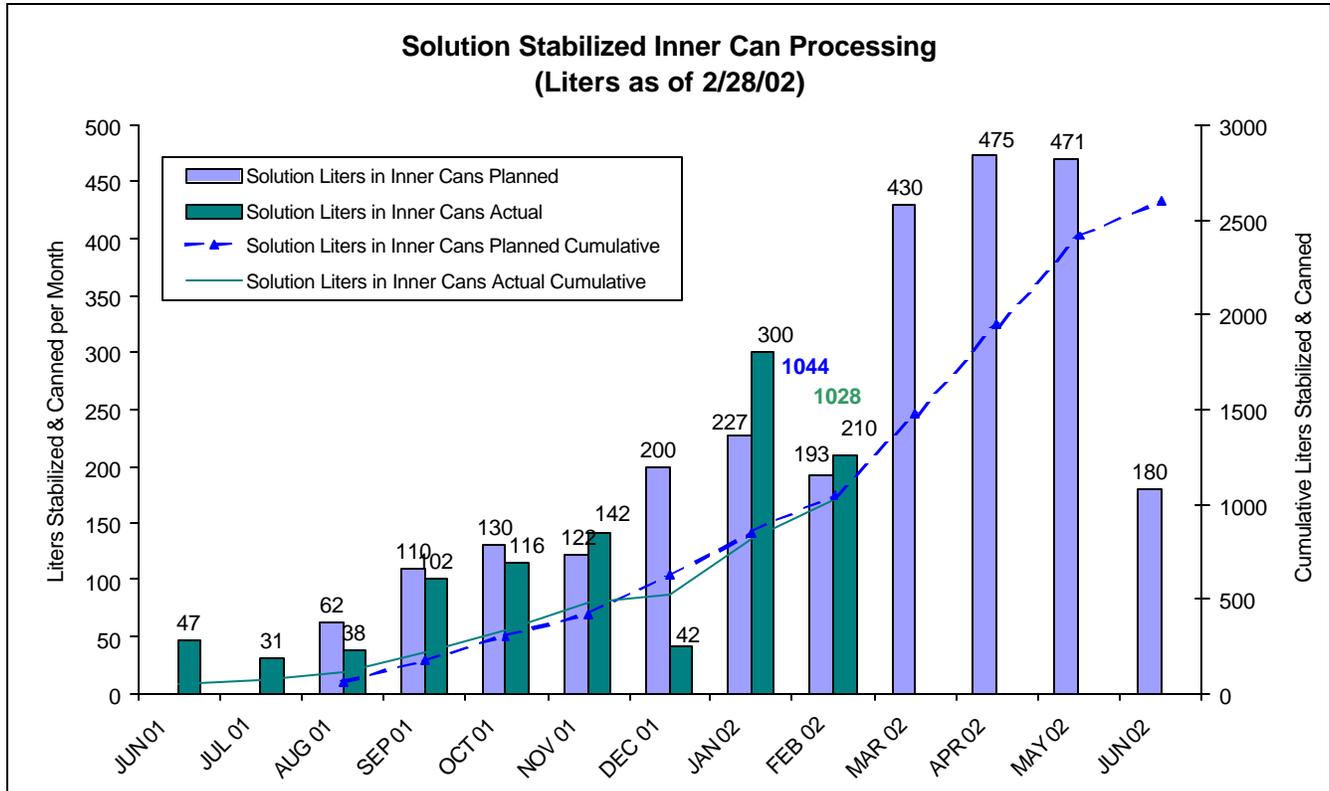
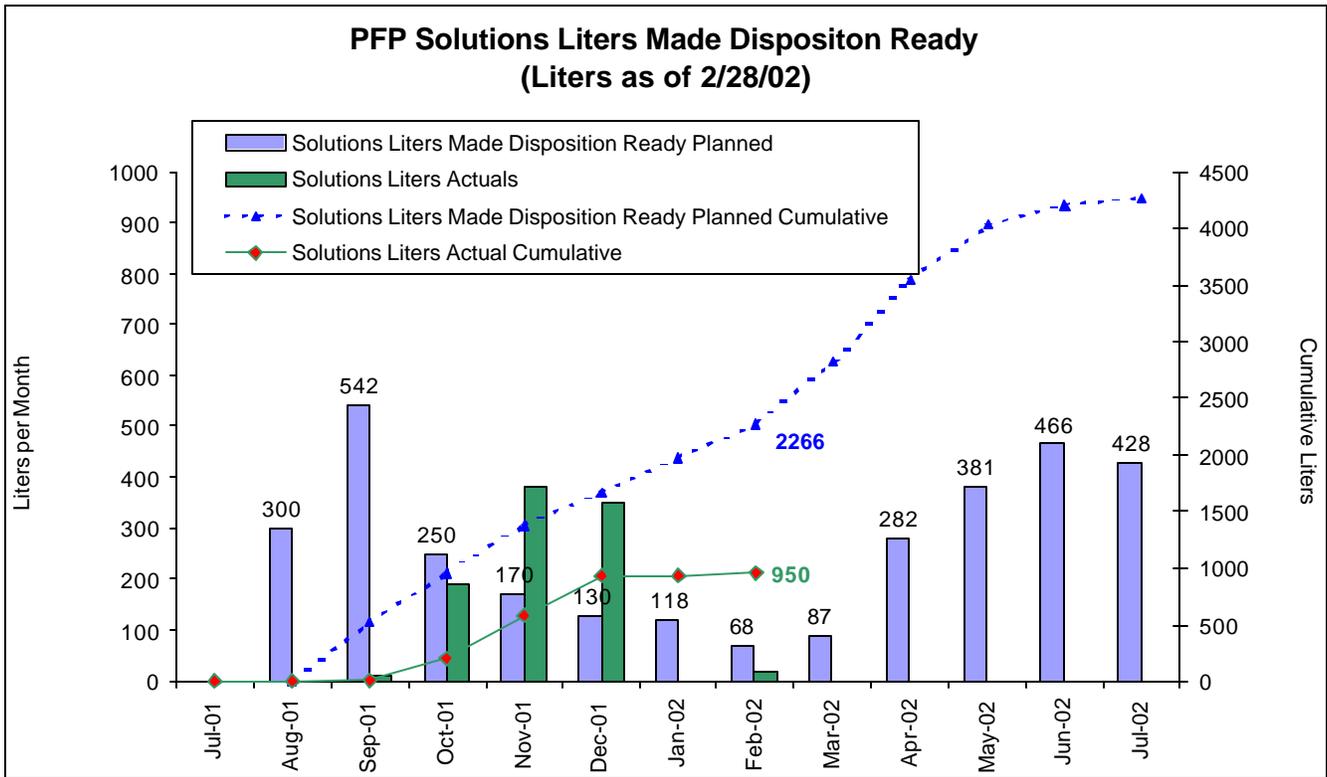
METALS/ALLOYS/OXIDES STABILIZATION



RESIDUE STABILIZATION



SOLUTIONS STABILIZATION



FY 2002 SCHEDULE / COST PERFORMANCE – ALL FUND TYPES FISCAL YEAR TO DATE STATUS – (\$000)

By PBS	BCWS	BCWP	ACWP	SV \$	CV \$	SV %	CV %	BAC
PBS CP03 Maintain Safe and Secure SNM WBS 3.3.3.1	2,012.7	1,760.2	1,650.2	(252.5)	110.0	-13%	6%	5,251.9
PBS CP03 Maintain Safe and Compliant PFP WBS 3.3.3.2	10,510.4	10,677.3	10,856.7	166.9	(179.4)	2%	-2%	26,544.4
PBS CP03 SNM Stabilization WBS 3.3.3.3	14,021.9	12,852.6	9,840.1	(1,169.3)	3,012.5	-8%	23%	29,857.1
PBS CP03 Disposition SNM WBS 3.3.3.4	1,641.7	1,782.8	1,159.8	141.1	623.0	9%	35%	4,178.9
PBS CP03 Disposition PFP Facility WBS 3.3.3.5	647.0	488.5	211.9	(158.5)	276.6	-24%	57%	1,635.6
PBS CP03 PFP Project Management and WBS 3.3.3.6 Support	6,771.1	6,837.4	7,666.6	66.3	(829.2)	1%	-12%	11,193.9
Total:	\$35,605	\$34,399	\$31,385	(\$1,206)	\$3,014	-3%	10%	\$78,662
PBS CP03 W-460 PuSH Line Item Support WBS 3.3.3.7	1,092	1,580	556	488	1,023	45%	65%	2,992
Total:	\$36,697	\$35,978	\$31,941	(\$718)	\$4,037	-2%	12%	\$81,654

FY TO DATE SCHEDULE / COST PERFORMANCE

The two percent unfavorable schedule variance represents an eleven percent improvement from January 2002 and is primarily attributable to implementation of Baseline Change Request (BCR) CP-03-02-003 that extends completion of solutions and polycube processing. Also contributing to this positive turnaround are productivity gains and completion of accelerated workscope (Critical Mass Laboratory processing) within the Solutions Stabilization Project (6.5 percent). Additionally, processing of Sand, Slag and Crucible material has more than doubled expectations. Offsetting this positive change is the time phasing of Pipe Overpack Containers (POCs), the delay in procurement of a Tomographic Gravimetric System (TGS) and the operational hold on outer can welding.

The current favorable twelve percent cost variance represents a notable fourteen percent improvement from January 2002. Contributing to this turnaround was approval and implementation of several Baseline Change Requests (BCRs). Approximately 10 percent of the improvement was in the Stabilization project areas. Leading the advance were the Thermal Stabilization Project at 4.6 percent followed by the Solutions and Residues Projects with 3 percent and 1.5 percent. Additionally, PFP staffing continues to underrun 7.1 percent below planned Fiscal-Year-To- Date (FYTD) levels.

For all active sub-PBSs and TTPs associated with the Operations/Field Office, Fiscal Year to Date (FYTD) Cost and Schedule variances exceeding + / - 10 percent or one million dollars require submission of narratives to explain the variance.

SCHEDULE VARIANCE ANALYSIS: (-\$0.7M)

3.3.3.1 Maintain Safe & Secure SNM

Description and Cause: The thirteen percent unfavorable schedule variance is attributable to the re-evaluation of the approach for packaging and storage of nuclear material as previously identified in the Remote Monitoring System upgrade.

Impact: The Remote Monitoring System is being descoped. Potential lifecycle cost impacts are being addressed as part of this change.

Corrective Action: Baseline Change Request CP-02-013 is in process to reduce the upgrade to a demonstration scale level.

3.3.3.2 Maintain Safe & Compliant PFP

Description and Cause: The current two percent favorable schedule variance is within the reportable threshold.

Impact: None.

Corrective Action: None.

3.3.3.3 SNM Stabilization

Description and Cause: The current eight percent unfavorable schedule variance, representing a twenty-eight percent improvement, is attributable to operational issues with the Outer Can Welder and a delay in Pipe Overpack Containers (POCs) procurement. Productivity gains and completion of accelerated workscope (Critical Mass Laboratory processing) within the Solutions Stabilization Project and processing of Sand, Slag and Crucible material has more than doubled expectations have also contributed to this improvement.

Impact: There is no impact as a result of the delay in procurement of Pipe Overpack Containers. Complete OCW schedule recovery is expected within two months after restart.

Corrective Action: One hundred and nine POCs have been delivered to the Residues Project. Additional POCs are being procured. At month end weld porosity issues with the Outer Can Welder were resolved and preparations were underway for an early March 2002 restart.

3.3.3.4 Disposition SNM

Description and Cause: The primary cause of the nine percent favorable schedule variance is attributable to completing FY01 residue storage carryover activities in addition to routine FY 02 planned workscope.

Impact: None.

Corrective Action: None.

3.3.3.5 Disposition PFP Facility

Description and Cause: The twenty-four percent unfavorable schedule variance is attributable to the late start of three Facility Disposition activities (241-Z-361 Regulatory Screening documents, Safety Basis and Criticality documents) due to competing resource requirements for other Plant activities.

Impact: These activities have now started and are currently proceeding as planned.

Corrective Action: None. The activities will be completed this fiscal year and will not delay the start or completion of future planned work scope.

3.3.3.6 PFP Project Management & Support

Description and Cause: The one percent favorable variance is within the reportable threshold.

Impact: None.

Corrective Action: None.

COST VARIANCE ANALYSIS: (+\$4.0M)

3.3.3.1 Maintain Safe & Secure SNM

Description and Cause: The six percent favorable cost variance is attributable to a continuous staff underrun.

Impact: The labor underrun is expected to continue.

Corrective Action: Efforts are on-going to fill current staff vacancies.

3.3.3.2 Maintain Safe & Compliant PFP

Description and Cause: The two percent unfavorable cost variance is within the reportable threshold.

Impact: None.

Corrective Action: None.

3.3.3.3 SNM Stabilization

Description and Cause: The twenty-three percent favorable cost variance is attributable to ongoing efficiencies in achieving planned workscope within the Solutions Stabilization, Thermal Stabilization, and Residues project areas.

Impact: None.

Corrective Action: None.

3.3.3.4 Disposition SNM

Description and Cause: The thirty-five percent favorable cost variance is primarily attributable to efficiently completing work with less than planned staff and late receipt of a contract estimate for update of the Safety analysis report for packaging (SARP).

Impact: None.

Corrective Action: None.

3.3.3.5 Disposition PFP Facility

Description and Cause: The fifty-seven percent favorable cost variance is directly attributable to a slower than planned transition of technical staff from Project W-460 to the Decommissioning Project, and a decision to wait on placement of contracts until PFP staffing decisions are complete.

Impact: None.

Corrective Action: Transition of technical staff from Project W-460 and the Direct Discard campaign is underway to support the Decommissioning Project's planned staffing levels. Contracts are now being placed as planned.

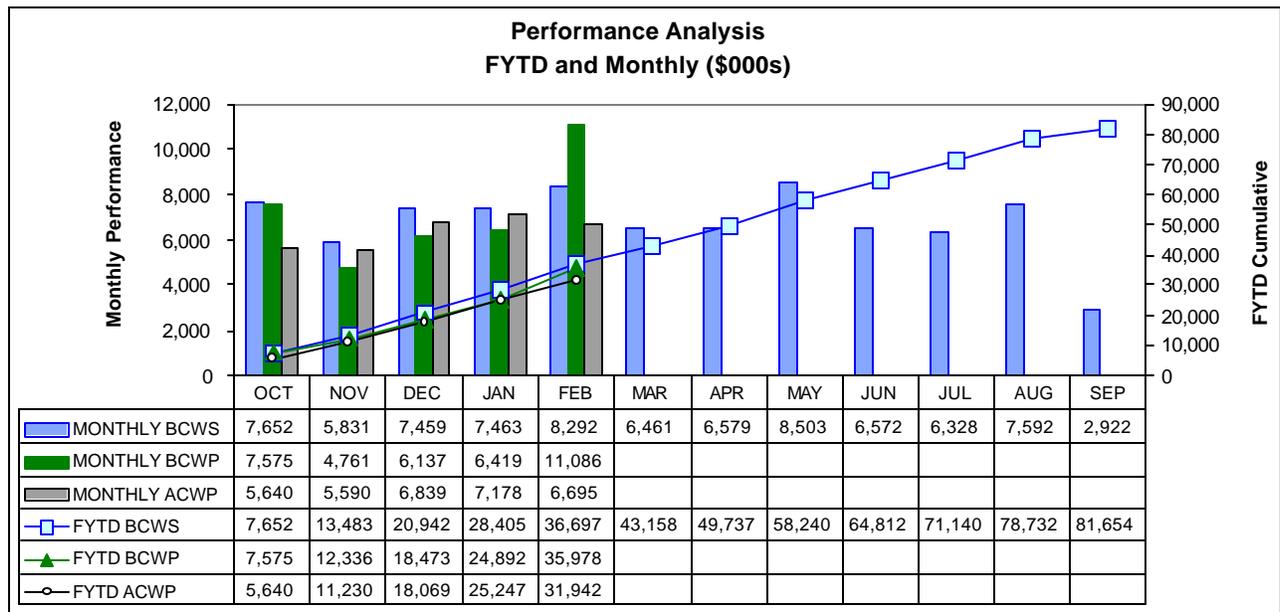
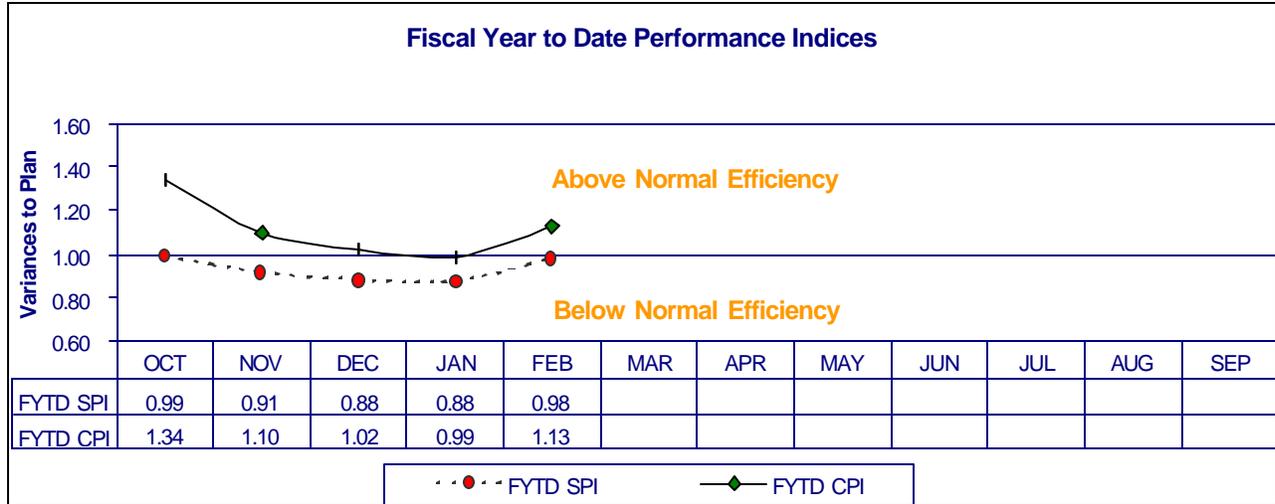
3.3.3.6 PFP Project Management & Support

Description and Cause: The twelve percent unfavorable cost variance is attributable to the actual cost of labor liquidating at a higher rate than what was in the planning rates. Higher than planned staff are also charging to this account to support Strategic Planning for the Alternate Storage Study and the unplanned OA-50 Assessment.

Impact: Approval and implementation of Baseline Change Request FH-2002-010 will partially offset the current negative cost variance. Further impacts will be determined upon completion of the charging analysis.

Corrective Action: As part of our financial funding analysis a Baseline Change Request FH-2002-010 has been submitted to RL to revise the labor rates. Management is also reviewing appropriate charging to this account. A Baseline Change Request is also being prepared to document costs of the OA-50 Assessment.

Schedule / Cost Performance (MONTHLY AND FYTD)



FUNDS MANAGEMENT

FYTD FUNDS VS SPENDING FORECAST (\$000)

	FH Funds Reallocation	FYSF	Variance
3.3.3 Plutonium Finishing Plant			
CP03			
Project Completion - Operating	\$ 82,230	\$ 82,490	\$ (260)
- Line Item	\$ 556	\$ 556	0
Total	\$ 82,786	\$ 83,046	\$ (260)

[Status through February 2002]

Note: FH Reallocation reflects an FYSF adjusted for scope deletions, deferrals, and identified savings to address funding shortfalls, additional unplanned scope, and cost increases.

ISSUES

Technical Issues

Issue: There is no alternative moisture measurement system in place to support processing of plutonium alloys and impure oxides.

Impact: Completion of solutions and polycube processing and stabilization activities will be delayed approximately two and one half months.

Corrective Action: Three RL approved Thermogravimetric Analyzers (TGA) for use in 234-5Z have been procured and delivered. Installation is underway and is expected to be complete in late March. Following successful completion of the Standard Startup Review (SSR), startup operation of these TGAs is expected in early April.

Issue: The surface weld porosity of 3013 outer containers exceeds American Society of Mechanical Engineer (ASME) Boiler and Pressure Vessel Code, Section VIII standards of .041-inch diameter for isolated pores and .031 inch for pores within one inch proximity.

Impact: None.

Corrective Action: Weld parameter changes (10 percent reduction in rotation speed and 50 percent reduction in can body chamber) were documented in welding procedures on February 8. PFP initiated a 25 can run on February 15 which was successfully completed. The Savannah River Technical Center (SRTC) completed an evaluation of the effect of weld porosity in the 3013 outer container. Authorization for resumption of Outer Can Welding was received on February 25 and restart is expected in early March. This issue is resolved and will no longer be reported.

Regulatory, External, and DOE Issues and DOE Requests

Issue: No other issues identified at this time.

Impact: None at this time.

Corrective Action: None at this time.

BASELINE CHANGE REQUESTS CURRENTLY IN PROCESS

BCR No.	Date Originated	Description	Impact		Date Approved	Status
			Days	Dollars (\$000s)		
CP03-02-001	8/13/01	MYWP Bridge (FH-2001-008)	--	--		At RL
CP03-02-003	10/29/01	Moisture Measurement Impacts	54	\$294		At RL
CP03-02-009	11/13/01	Project W-460 TPC Change	--	--	2/7/02	Approved
CP03-02-011	12/14/01	Direct Discard TPA Milestone	--	--		At RL
CP03-02-012	12/14/01	SS&C TPA Milestone	--	--		At RL
CP03-02-013	1/8/02	Reduce 3013 Surveillance System		(\$1,075)	2/21/02	Approved
CP03-02-014	2/6/02	SRS Acceptance Criteria #2		\$267		At FH
CP03-02-015	2/19/02	Remove FY 2002 Neg Mgmt Res		\$6,289		At FH
CP03-02-016	2/19/02	Replace/Defer FY 2002 Work Scope		(\$750)		At FH
CP03-02-022	2/28/02	Escalate FY 2002 P3 File				AT FH