



# HANFORD ADVISORY BOARD

January 12, 2010

# Outline

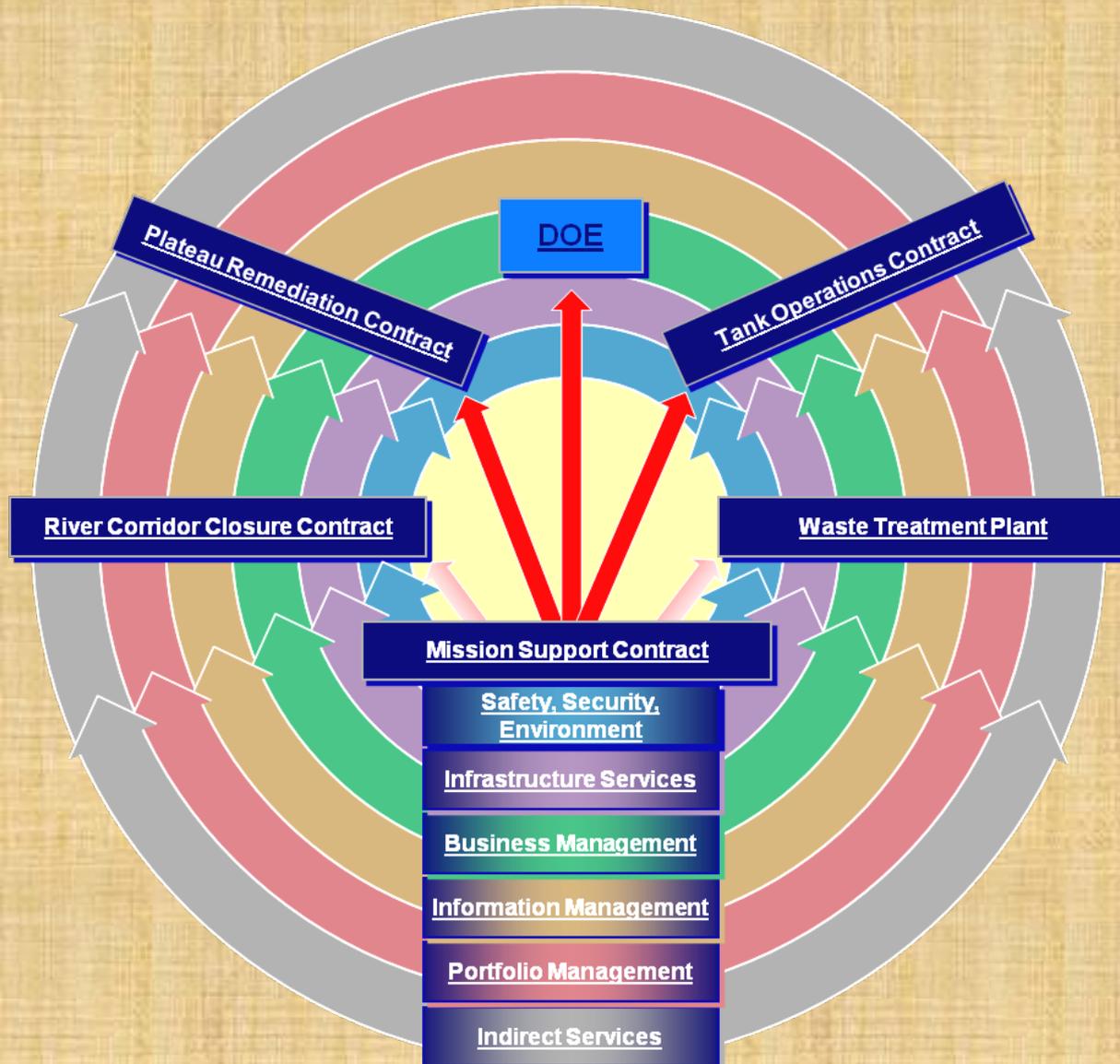
## Hanford Contracts Orientation

- PRC
- TOC
- MSC

## Key Features of the Mission Support Contract (MSC) for today's discussion

- Interface Management
- Infrastructure Services Alignment Plan (ISAP)
- Portfolio Management
- Performance Evaluation Management Plan (PEMP)/Performance Incentives

# Hanford Contracts Orientation





# Tank Operations Contract (TOC)

## Washington River Protection Solutions LLC

- The Tank Operations Contract (TOC) includes operations and construction activities necessary to:
  - Store
  - Retrieve and treat Hanford tank waste
  - Store and dispose of treated waste
  - Begin to close the Tank Farm waste management areas to protect the Columbia River



# **Plateau Remediation Contract (PRC)**

## **CH2M Hill Plateau Remediation Company LLC**

- The Plateau Remediation Contract (PRC) includes operations and construction activities necessary to:
  - Plutonium Finishing Plant Closure Project
  - Solid and Liquid Waste Treatment and Disposal
  - Groundwater Vadose Zone Project and Soil Remediation Decision Documents
  - Soil and Facility Remediation/Disposition
  - Fast Flux Test Facility
  - 100-K Area
  - 618-10 and 618-11 Burial Grounds Remediation
  - Project Support and Other Required Programmatic Functions



# MSC PURPOSE AND SCOPE

## **Purpose**

- To provide direct support to DOE-RL, DOE-ORP and their contractors with cost-effective infrastructure and site services integral and necessary to accomplish the Hanford Site environmental cleanup mission.

## **Scope of work includes five (5) primary functions**

- Safety, security, and environment
- Site infrastructure and utilities
- Site business management
- Information resources/content management
- Portfolio management

# MSC SCOPE OF WORK

Safety, Security, & Environment	Site Infrastructure & Services	Site Business Management	Information Resources & Content Management	Portfolio Management	Administrative Services
Safeguards & Security Site Training Services & HAMMER Fire and Emergency Response Services Emergency Operations Site Safety Standards Radiological Assistance Program Environmental Regulatory Management Public Safety & Resource Protection Radiological Site Services	Analytical Services Biological Control Crane & Rigging Motor Carrier Services Facility Services Fleet Services Railroad Services Roads & Grounds Utilities Sewer Systems Sanitary Waste Management & Disposal	Real Property Asset Management Property Systems/ Acquisition & Materials Sponsorship Management & Administration of Employee Pension and Other Benefits Plans EEOICPA/Workers Compensation External Affairs & Oversight Courier & Mail Services Reproduction, Correspondence Control & Multi-Media	Strategic Planning & Program Management Telecommunications Information Systems Content (Records) Management	Hanford Portfolio Planning, Analysis & Performance Assessment Project Acquisition & Support Independent Analysis & Assessments	Project Management ISMS Radiation Protection Worker Safety & Health Management Quality Assurance Beryllium Event Reporting & Investigation Work-for-Others Interface Management Transition Business Administration Legal Support Internal Audit Employee Concerns Traffic Management

# OVERALL EXPECTATIONS OF MSC

- Enable missions to focus on cleanup and let MSC focus on site support services
- Establish an MSC portfolio management function (“big-picture thinkers”)
- Establish a sitewide environmental management program
- Create common Hanford Site safety processes (includes ISMS & VPP)
- Reduce the overall cost of site services through consolidation under MSC, providing more dollars for cleanup



# **Mission Support Contract (MSC)**

## **Mission Support Alliance, LLC**

**Period of Performance:** The contract base period of performance is five (5) years (estimated to be October 1, 2008 through September 30, 2013) and two option periods (if exercised).

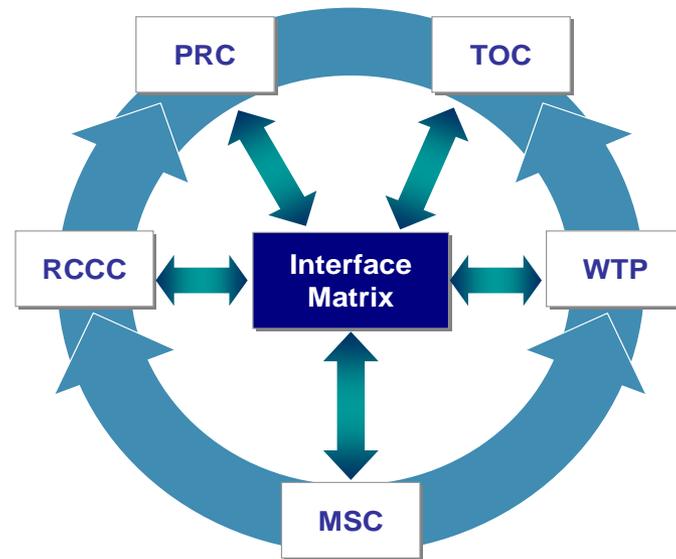
- Option period 1 is a three-year performance period and would commence at the end of the base period
- Option period 2 is a two-year performance period and would commence at the end of option period 1



# Key Features of the Mission Support Contract



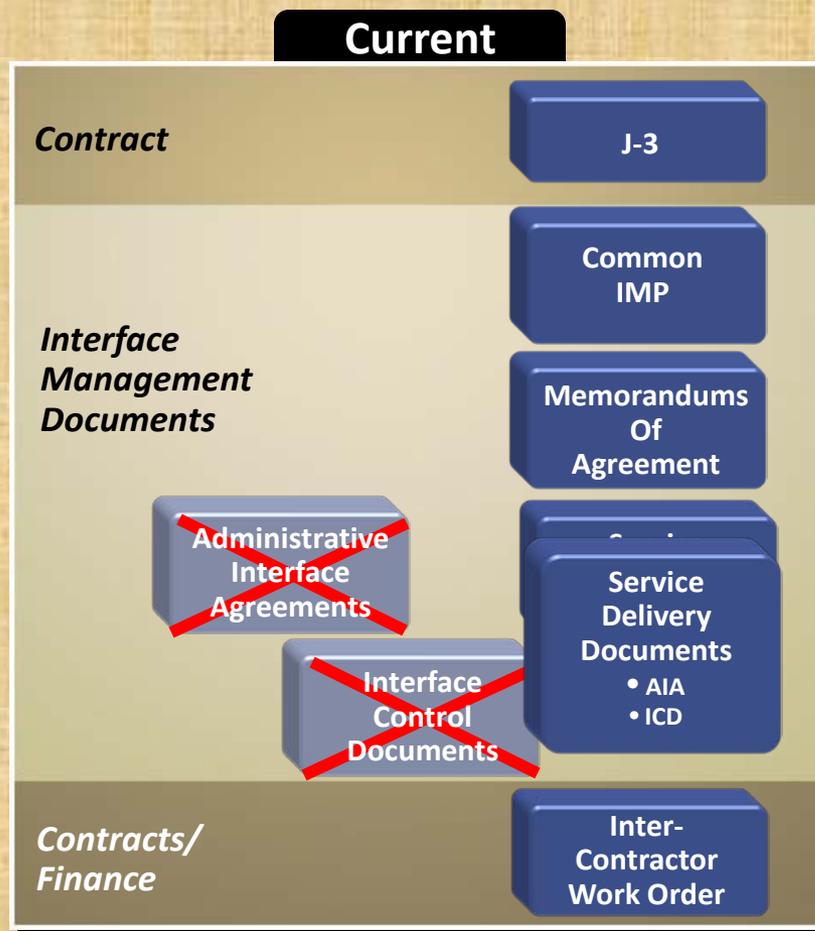
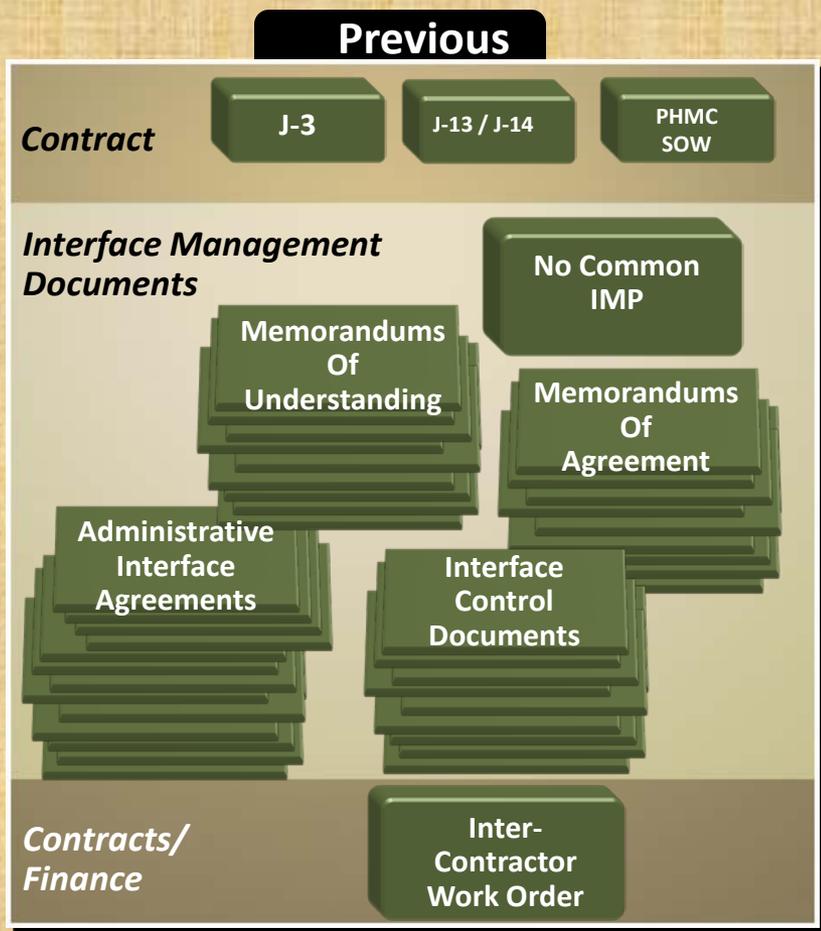
# Interface Management



# MSA Service Delivery Approach

<b>Past Hanford Practices</b>	<b>MSA Approach</b>
Scope of services not consistently defined and understood between service providers and service users.	Service Catalog will provides detailed service descriptions, SLAs, transparent pricing.
Forecast of services that feeds the budget process is budget driven with little scope definition.	Future forecast of services will include project requirements and key cleanup milestones.
Contractors order work from each other by providing funding, generally lacks detailed scope & SLAs.	MSC Service Delivery Documents (SDDs) will include SLAs and pricing for usage-based services.
Interface agreements are not consistently applied between services, many are outdated and/or were not developed consistent with the service delivery approach.	Interface agreements will be consistently applied per the service delivery model. Many existing agreements will be consolidated and/or eliminated.
FH Account Management is focused on addressing problems.	Service Provider Managers and Project Liaisons anticipate customer issues before they become problems. Responsiveness.

# MSA's Approach Simplifies Interface Management



- Multiple MOUs and MOAs for each Site contractor
- Multiple AIAs related to services (many obsolete/outdated)
- Multiple ICDs related to services (many obsolete/outdated)

- Single MOAs for each Site contractor
- Single Service Delivery Document (**NEW**) for each service
- Every AIA and ICD linked to a Service Delivery Document

# Defining Interface Management and Service Delivery

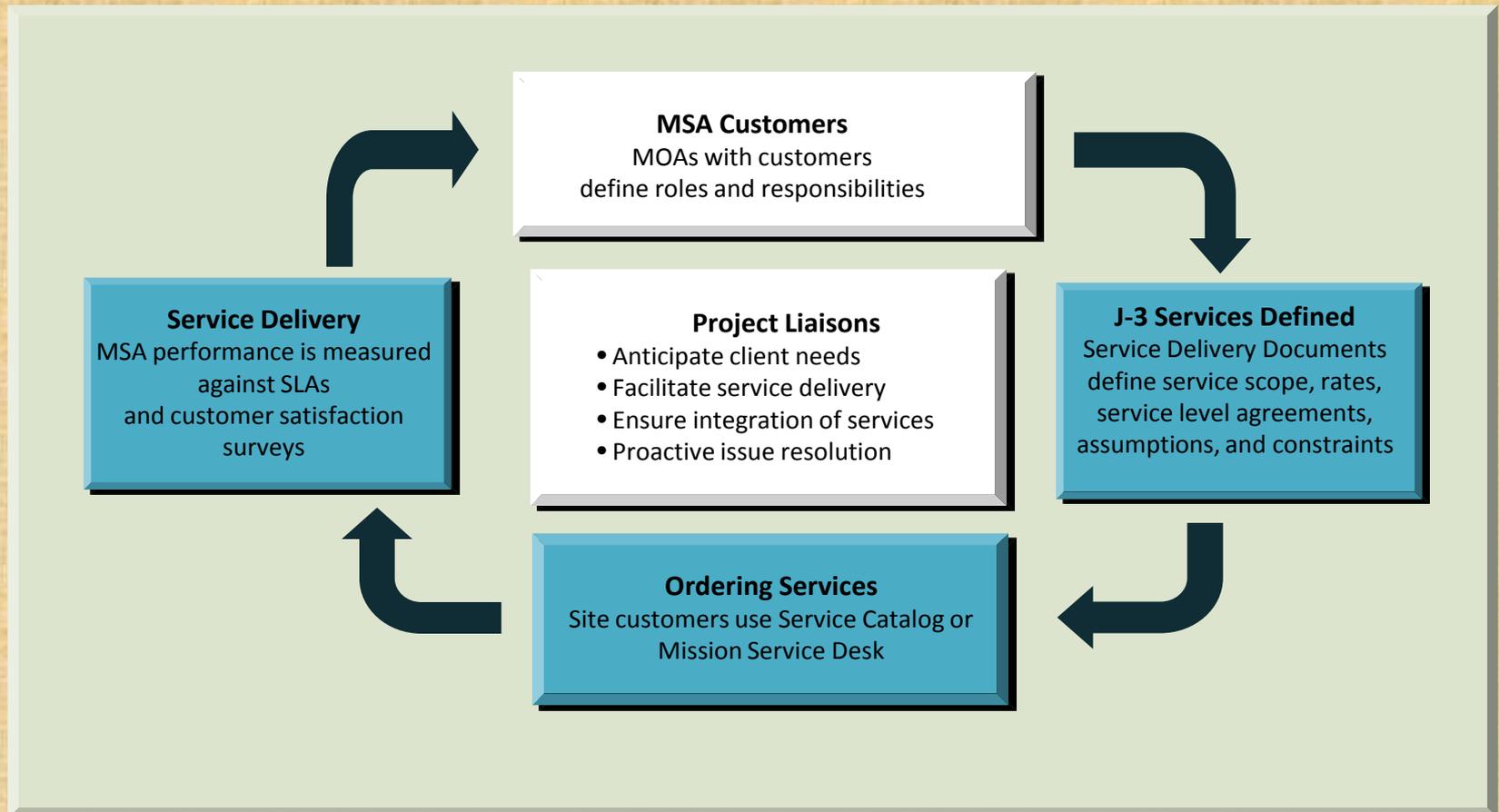
## Interface Management

- ▶ Defines the relationship between service providers and requestors through foundational agreements and contractual documents.
- ▶ Use of key documents that define inter-contractor roles and responsibilities, performance expectations, and service terms:
  - ▶ J-3 Table
  - ▶ Interface Management Plan (IMP)
  - ▶ Memorandum of Agreement (MOA)
  - ▶ Other interface documents (AIAs, ICDs)

## Service Delivery

- ▶ The tools and processes that allow for the provision of services as defined in the Interface agreements:
  - ▶ MSC-IMS Service Catalog
  - ▶ Mission Service Desk
  - ▶ Tools for Tracking
  - ▶ Metrics for Trending
  - ▶ Project Liaisons
  - ▶ Service Delivery Documents (SDD)
  - ▶ Customer Surveys
- ▶ The long-term forecast of services will be provided by the Infrastructure Services and Alignment Plan (ISAP).

# MSA Interface Management and Service Delivery Model



# **Hanford Site Services and Interface Requirements Matrix (Attachment J-3)**

- Signed by MSC with concurrence by PRC, TOC
- Requested changes of services from mandatory to optional must be approved by CO
  - Contractor submits written justification, including impacts to users and provider
  - Change cannot be implemented until approved by CO
  - Refusal to approve does not entitle contractor to equitable adjustment or disputable final decision

# Hanford Interface Management Plan

- Implements the requirements of the contract attachment J-3 Hanford Site Services and Interface Requirements Matrix
- Developed by MSC with input from other site contractors
- Describes each interface, identifies requirements and source documents
- Outlines process for change
- Signed by MSC, TOC, PRC
- Coordinated with other site contractors
- CO is exclusive authority for resolving disputes
- Cost of litigation over interface issues are not allowable



# Infrastructure Services Alignment Plan (ISAP)

# Infrastructure Services Alignment Plan

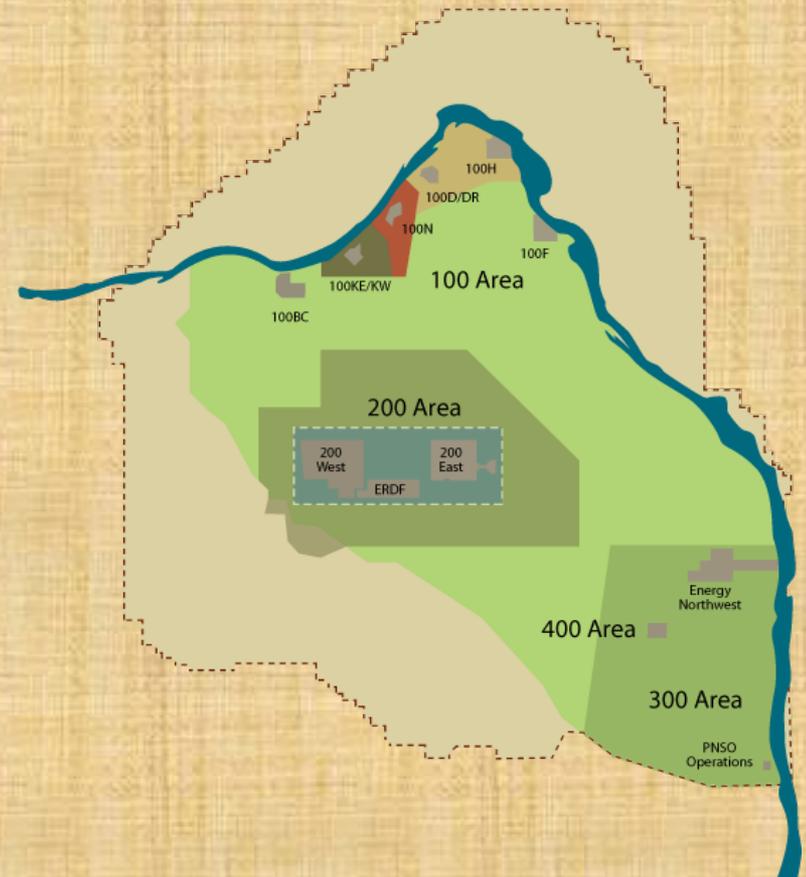
- The ISAP is the strategic and tactical planning document for the five functional areas of the Mission Support Contract.
- Incentives were applied to this document deliverable due to:
  - The overarching strategic nature of this plan to fundamentally change the way services are delivered on the Hanford Site to all customers.
  - The need for a roadmap for efficient upgrades in infrastructure and IT.
  - Annual updates using Infrastructure and Services Alignment Plan (ISAP) revision and the contract J-3 matrix update process



# Portfolio Management

# Portfolio Management Mission

Portfolio Management enables DOE to apply its resources in the best way to meet mission objectives, ensure programmatic performance across the Hanford Site, and optimize operations. In this role, MSA serves DOE as the Trusted Agent providing analytical and unbiased recommendations to ensure that the Hanford Site Vision is achieved.





# Portfolio Management's Value Proposition

- Integrated Hanford Life-Cycle Cleanup Planning Process – enabling strategic and alternative decision making and providing a credible baseline
- Ability to respond to dynamic and frequent changes in scope, schedule, cost, budget, contract performance, technical direction, regulatory requirements, etc.
- Flexible project acquisition approaches from initiation to turn-key delivery
- Cost efficiencies resulting from disciplined portfolio planning and value engineering
- Capability to capture project information from all Hanford Site contractors



# Portfolio Management Activities

- Facilitate Integrated Site-wide WBS Structured Improvement Activity
- Establish Site-wide Working Groups
- Deliver initial Integrated Hanford Life-Cycle Cleanup Planning Process
- Build the Integrated Technical, Cost, and Schedule Baselines
- Prepare a Programmatic Risk Management Plan
- Construct the Portfolio Analysis Center and have ready for operations by April 15, 2010
- Finalize Hanford-specific modifications to Portfolio Management analysis tools



# PERFORMANCE EVALUATION MANAGEMENT PLAN (PEMP) & PERFORMANCE INCENTIVES

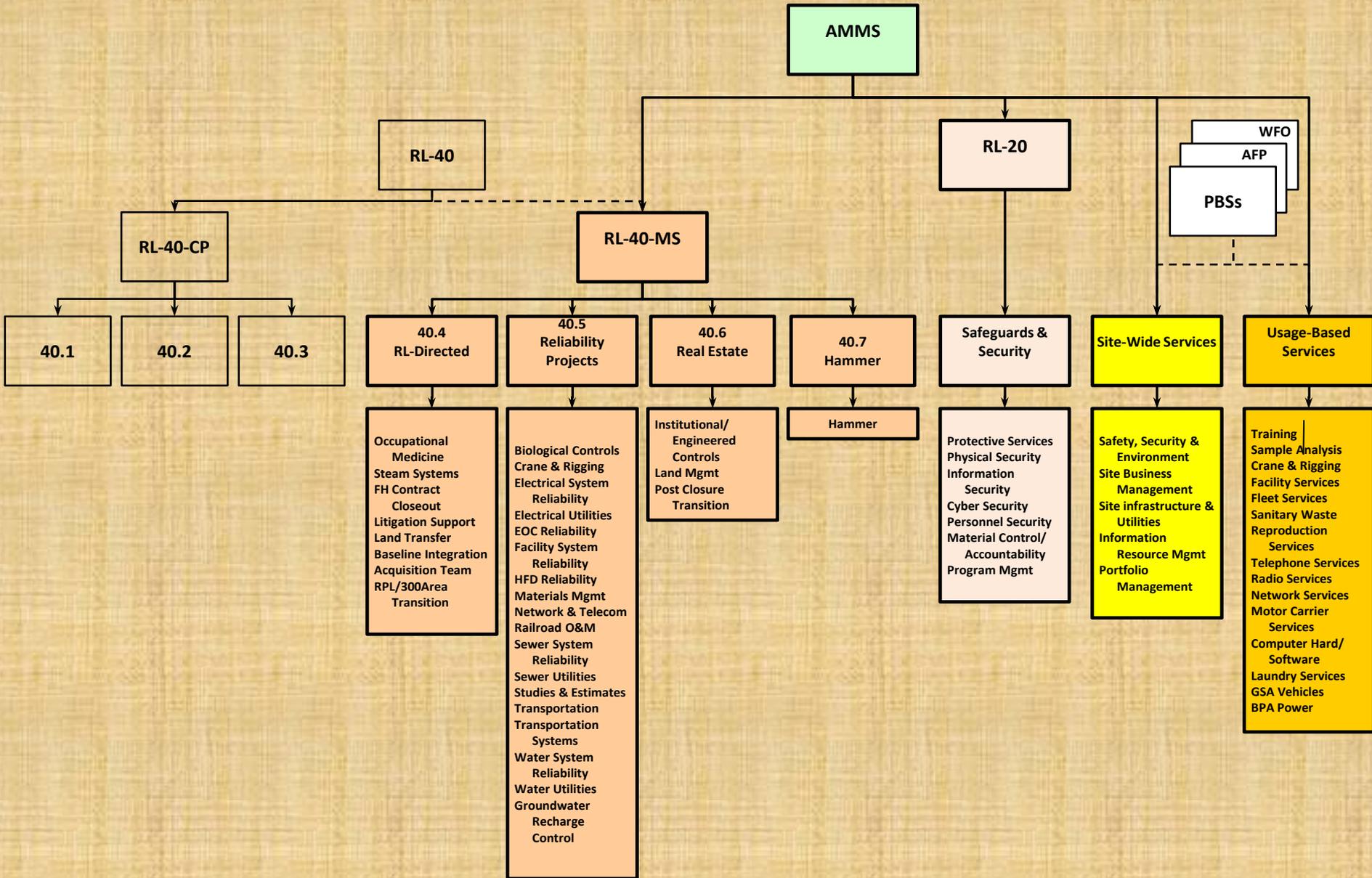
## **Contract Objectives**

- Align incentives to achieve the following strategic contract outcomes:
  - Support the accomplishment of the 2015 Vision (reduce the footprint of the Hanford Site).
  - Enable cost-effective cleanup of the Hanford Site.
  - Upgrade deficient infrastructure.

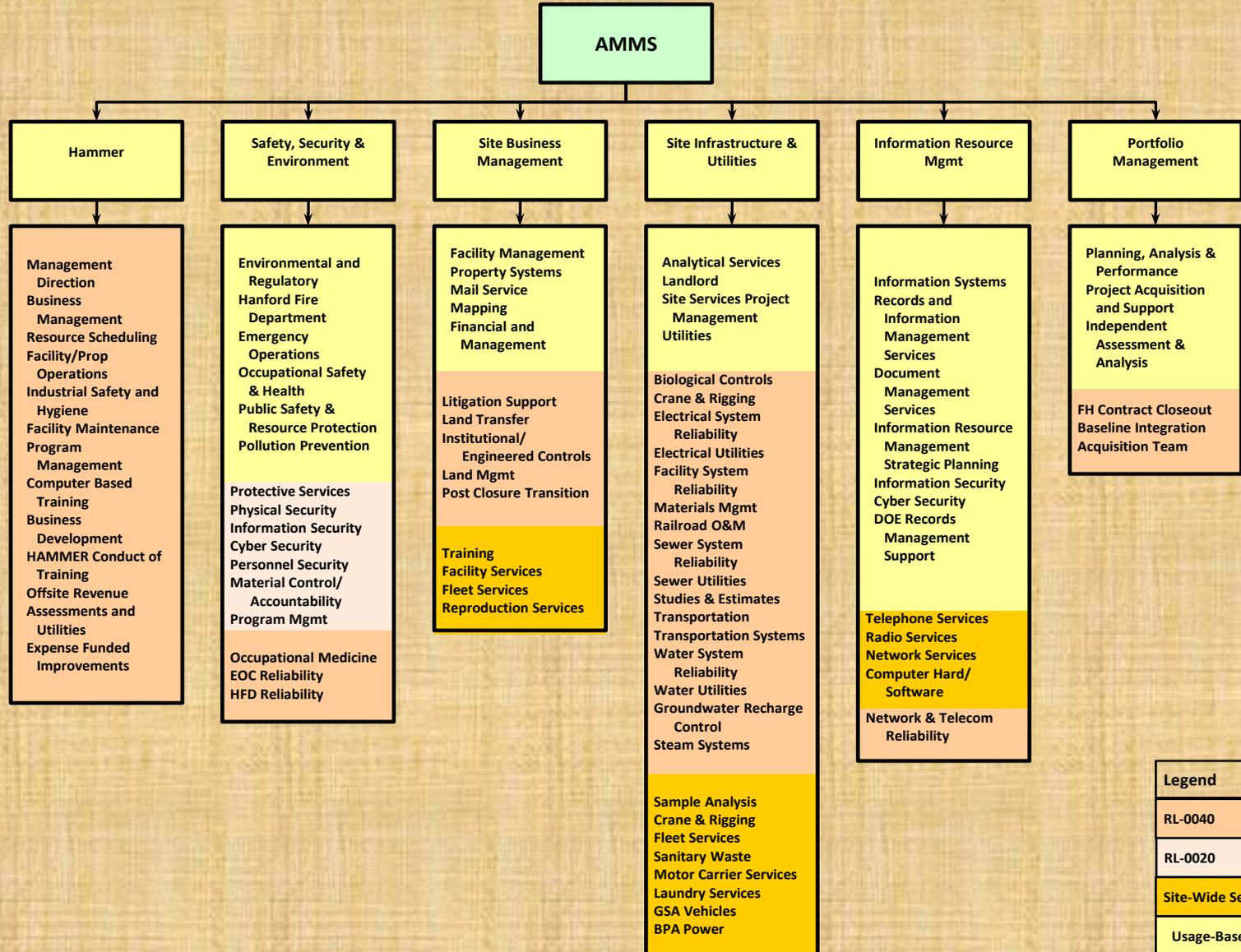
## **Fiscal Year 2010 Performance Incentives**

- There are five major fee-bearing performance measure objectives:
  - Meet FY 2010 Performance Commitments.
  - Productivity Improvement and Reinvestment.
  - Infrastructure Services and Alignment Plan (ISAP).
  - Sustain Performance Excellence.
  - Establish and Meet Service Level Requirements.

# Mission Support Workscope – By \$ Source



# AMMS Portfolio Workscope – By Service Area



# Links

**The Mission Support Contract is located at:**

<http://www.hanford.gov/rl/?page=1308&parent=1307>

**The Performance Evaluation and Measurement Plan (PEMP) is located at:**

[http://www.hanford.gov/rl/uploadfiles/Contracts/MSC\\_Contract/Conformed\\_Contract/MSJ-04\\_PEMP.pdf](http://www.hanford.gov/rl/uploadfiles/Contracts/MSC_Contract/Conformed_Contract/MSJ-04_PEMP.pdf)