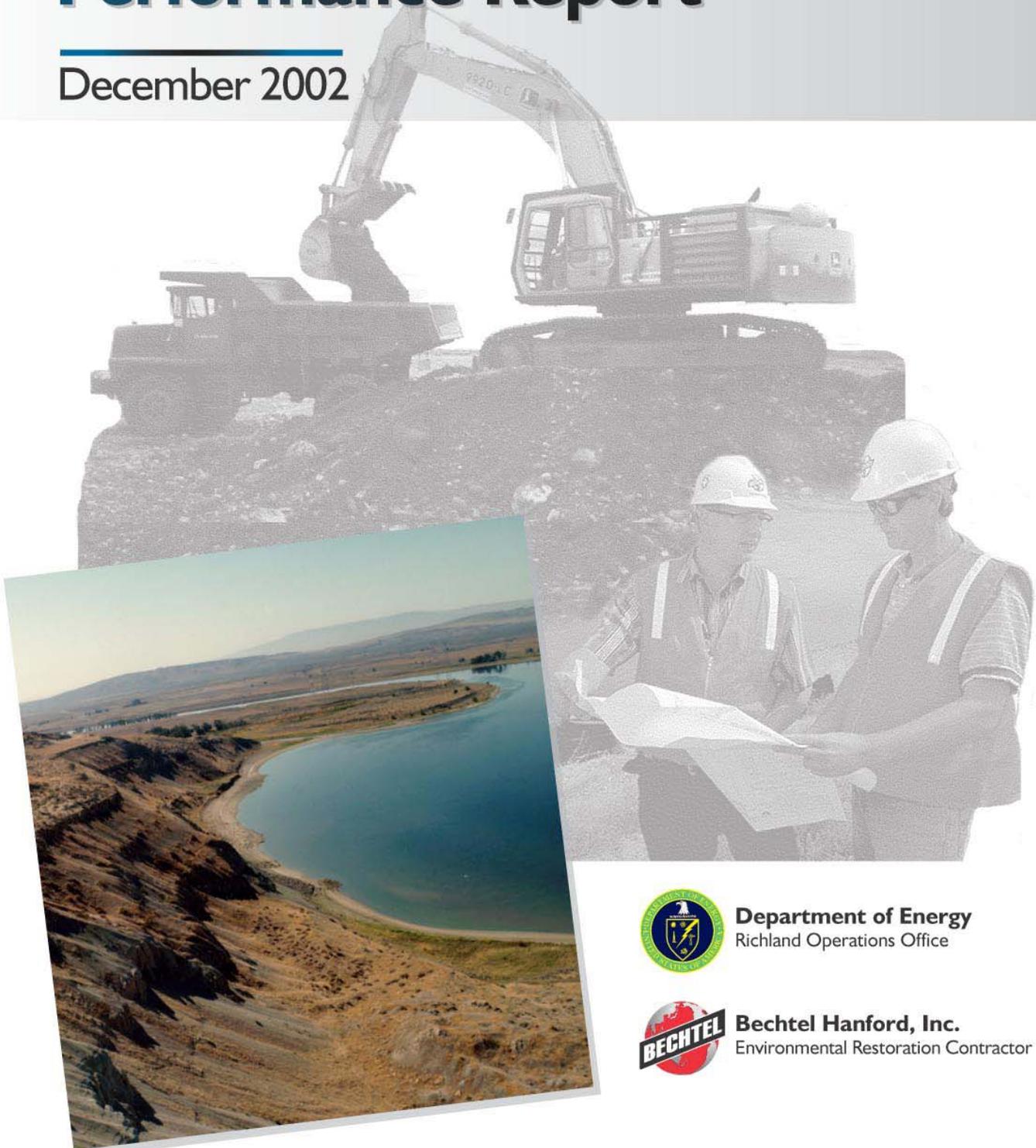


Environmental Management Performance Report

December 2002



E0301041.1



Department of Energy
Richland Operations Office



Bechtel Hanford, Inc.
Environmental Restoration Contractor

Data as of month-end December

**ENVIRONMENTAL MANAGEMENT PERFORMANCE REPORT
ENVIRONMENTAL RESTORATION
DECEMBER 2002**

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**ENVIRONMENTAL MANAGEMENT PERFORMANCE REPORT
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INTRODUCTION

The monthly Environmental Restoration (ER) Environmental Management Performance Report (EMPR) consists of two sections: Section A - Executive Summary, and Section B – River Corridor Restoration. All data are current as of December 31, 2002, unless otherwise noted.

Section A – Executive Summary. The Executive Summary begins with a description of notable accomplishments for the current reporting month that are considered to have made the greatest contribution toward safe, timely, and cost-effective Hanford Site cleanup. Safety statistics are also included. Major commitments are summarized that encompass Hanford Federal Facility Agreement and Consent Order (Tri-Party Agreement) milestones. Fiscal year 2003 (FY03) performance objectives and status are provided. Fiscal year-to-date ER Project cost and schedule variance analysis is summarized. Issues that require management and/or regulator attention are addressed along with resolution status. The Key Integration Activities section highlights site activities that cross contractor boundaries, supporting overall Hanford Site goals. The Executive Summary ends with a listing of major upcoming planned key events (90-day look ahead).

Section B – River Corridor Restoration. This section contains more detailed Environmental Restoration Contractor (ERC) monthly activity information and performance status for the three Project Baseline Summaries (PBSs) within the River Corridor Restoration outcome. These three PBSs consist of RC01 - 100 Area River Corridor Cleanup, RC02 - 300 Area Cleanup, and RC05 - River Corridor Waste Management.

PBS SC01 - Near-Term Stewardship is structured within the Site Stewardship outcome. Due to the minimal FY03 workscope identified for this PBS, SC01 performance data is included in the Executive Summary cost/schedule overview.

Performance Incentive and Safety information in this report is identified with a green, yellow, or red text box used as an indicator of the overall status. Green indicates work or issue resolution is satisfactory and generally meets or exceeds requirements, yellow indicates that significant improvement is required, and red indicates unsatisfactory conditions that require immediate corrective actions.

Section A - Executive Summary



Clean Overburden Removal from B Reactor Effluent Lines



618-5 Burial Ground Excavation (300 Area)



Saw Cutting at H Reactor



Pourback Preparation at D Reactor

Data as of month-end December

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SECTION A – EXECUTIVE SUMMARY

Data as of month-end December

NOTABLE ACCOMPLISHMENTS

River Corridor Restoration:

On December 11, remediation activities were initiated at the 116-KW-3 Retention Basin, which meets Hanford Federal Facility Agreement and Consent Order (Tri-Party Agreement) Milestone M-16-10A, "Initiate Remedial Action in the 100-KR-1 Operable Unit," (due August 1, 2003) more than seven months ahead of schedule.

In the 100 N Area, backfill of the 120-N-1 and 120-N-2 waste sites was completed. The 116-N-1 waste site Explanation of Significant Difference (ESD) was submitted to the U.S. Department of Energy (DOE) Richland Operations Office (RL) and the regulators for review. The ESD proposes changes to the records of decision for soil sites located in the 100 N Area. The Resource Conservation and Recovery Act (RCRA) permit modification for the 100 N Area treatment, storage, and disposal (TSD) sites was transmitted to Fluor Hanford, Inc. (FH) on December 5. FH will summarize all RCRA permit modifications for submittal to the Washington State Department of Ecology (Ecology) in January. Modification to the permit schedule is required due to extensive plumes encountered during 100 N Area remediation.

During December, work was initiated on the 300-FF-1 Operable Unit waste sites regrading subcontract procurement package.

The design for the next Environmental Restoration Disposal Facility (ERDF) expansion phase was initiated and is 60% complete.

During December, 43,426 metric tons (47,869 tons) of contaminated waste were disposed in ERDF, for a total of 143,526 metric tons (158,211 tons) disposed to date in FY03. A total of 3,607,168 metric tons (3,976,243 tons) of waste have been disposed in ERDF since operations began in July 1996.

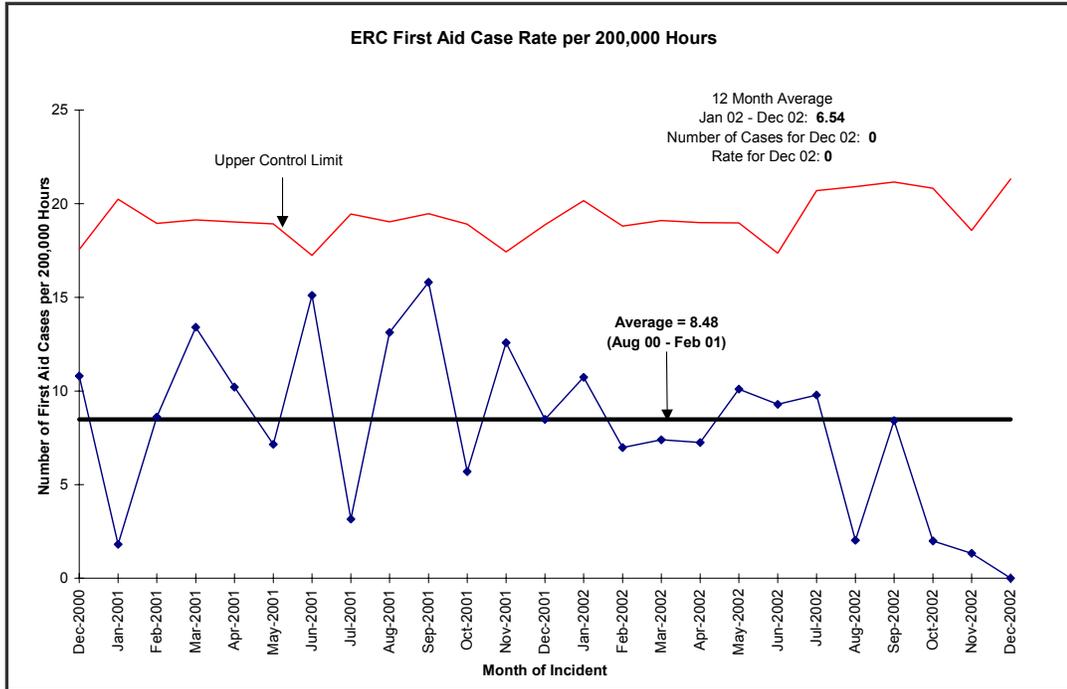
Shop drawing development and steel procurement were initiated for the F Reactor safe storage enclosure (SSE) roof installation. SSE mobilization is scheduled to begin in February.

D Reactor below-grade concrete pourbacks were completed on December 17.

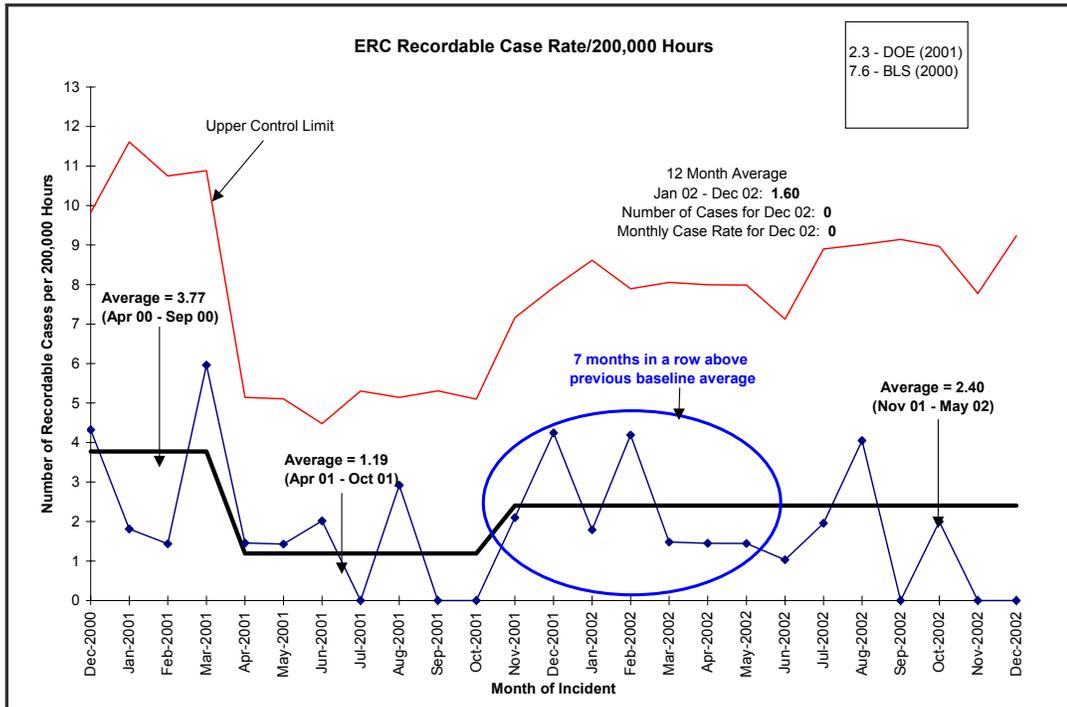
The first 5-year surveillance of C Reactor (currently in interim safe storage [ISS]) was completed. Annual surveillances were also completed at KE Reactor and 100 N Area buildings/facilities.

**ENVIRONMENTAL MANAGEMENT PERFORMANCE REPORT
ENVIRONMENTAL RESTORATION
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SAFETY



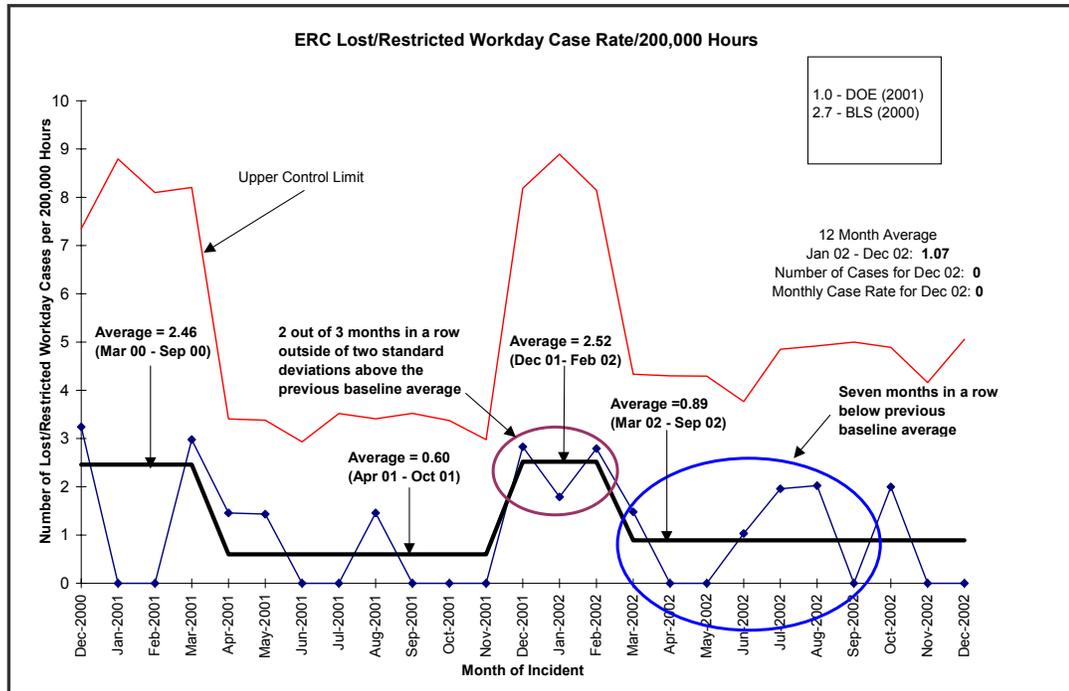
NOTE: This data has been stable since August 2000. Positive trend at 5 months below the baseline average.



NOTE: This data has been stable since November 2001. Positive trend at 4 months below the baseline average.

**ENVIRONMENTAL MANAGEMENT PERFORMANCE REPORT
ENVIRONMENTAL RESTORATION
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SAFETY (continued)



NOTE: The baseline average was revised to reflect the impact of an additional lost workday case that occurred in December 2001 and reported in November 2002.

Safety:

The following actions have or are being taken by the Environmental Restoration Contractor (ERC) to focus on safety improvements:

- Activities continued to obtain Voluntary Protection Program (VPP) Star Status recognition.
- The Subcontract Technical Representatives (STR) implemented the use of a "Performance Review Form". This form is used to document subcontractor performance, safety, and contractual compliance.
- A new Control of Hazardous Energy and Materials (Lockout/Tagout) training course was developed and implemented. The training consists of ten separate modules that can be administered commensurate with an individual's responsibilities.
- All incidents are thoroughly investigated. Emphasis is placed on causes and corrective actions that can be implemented where applicable. Timely discussions take place in safety meetings and plan of the day (POD) meetings. When investigations are complete, the results are sent to the Area Superintendents, Field Superintendents, and Supervisors for review at the PODs.
- Bechtel Hanford, Inc. (BHI) continues to look for trends and consults with Corporate and other Bechtel National, Inc. (BNI) contacts for ways to enhance performance.

**ENVIRONMENTAL MANAGEMENT PERFORMANCE REPORT
ENVIRONMENTAL RESTORATION
DECEMBER 2002**

SAFETY (continued)

- The ERC continues to work closely with the Hanford Atomic Metal Trades Council (HAMTC) Safety Representative to resolve safety issues as they arise.
- Senior management continues to meet with small groups of employees in the field to discuss safety and personal commitment to safety.
- The Field Support General Superintendent and Project Safety Manager continue to visit different projects on a regular basis, meet with project team members, and conduct safety walkarounds. Area Superintendents for Decontamination and Decommissioning projects and Surveillance and Maintenance projects are included in these walkarounds. The walkaround participants visit projects other than those for which they are responsible. Information from the walkarounds is shared with the team and other Field Support personnel. Safety conditions requiring corrective action are assigned to project personnel or support personnel for action and are tracked to closure. This activity is ongoing.
- The ERC previously recognized a trend in sprain and strain injuries. Heightened awareness regarding proper lifting techniques, the use of mechanical devices for lifting heavy or awkward loads, proper planning, and increased participation in low-impact stretching exercises prior to engaging in lifting or pulling activities are being utilized to reduce these types of injuries.
- The ERC has invited "Brown Bag Speakers" to join employees during lunchtime at the 3350 George Washington Way facility to discuss various safety and health topics.
- Field Support personnel conduct weekly safety inspections. Findings are entered into a database and tracked to closure. Daily inspections are also performed and logged in the project's daily logbook or daily report.
- The Reactor Interim Safe Storage (ISS) project developed and is implementing a new, regulator-approved, waste handling/characterization process for removal of the lower fill material in the H Reactor FSB. This action will significantly reduce the number of heavy equipment and worker interfaces that occur during the operation and also implements a significant lessons learned from the F Reactor FSB work.

	FYTD	Current Period (11/25/02- 12/22/02)	Current Period Comments
First Aid	2	0	
OSHA Recordable	1	0	
Restricted Workday Case	1	0	
Lost Workday Case	0	0	

Status:

- As of December 31, 2002, the ERC had worked approximately 391,000 hours without a lost workday case. The last incident occurred on June 4, 2002 and became lost time on September 4, 2002. Continuous employee involvement is being fostered by the Integrated Environmental Safety and Health Management System (ISMS), VPP, labor alliance programs, e-mail communications, and one-on-one meetings with employees.

**ENVIRONMENTAL MANAGEMENT PERFORMANCE REPORT
ENVIRONMENTAL RESTORATION
DECEMBER 2002**

SAFETY (continued)

- The ERC VPP self-assessment report is complete and ready for management review. The VPP Steering Committee is drafting the Safety Improvement Plan from improvement opportunities provided in the self-assessment. Additionally, work was started on the VPP Star Recognition application.
- There were no work-related injuries or illnesses reported during the month of December. ERC had two work-related injuries reported during the first quarter of FY03. 13 out of 15 weeks, or 86%, were zero injury/illness performance.
- To date, the ERC has had 12 brown bag speakers. The most recent speaker was a representative from the Richland Fire Department who spoke on "Home Safety and Fire Prevention."
- The ERC "Safety Body" identified the greatest percentage of injuries are to the hand and finger areas. Emphasis has been placed on raising awareness during discussions at staff meetings, morning PODs, and a recent article prepared for the "Safety Speaking" on hand and finger safety.
- The ERC continues to work diligently to provide accurate and timely reporting of occurrences, and to conduct followup fact-finding critiques to identify problems and improve safe field operations.
- The ERC confined space procedure was reviewed and compared to the Bechtel Corporate procedure for similarities and areas that could be used to enhance the ERC procedure. Based on this review, a revision to the ERC procedure will be forthcoming. The confined space training currently provided to employees was reviewed and updated to include lessons learned from an incident at F Reactor. In addition, a Safety Speaking article was prepared to provide additional confined space awareness.

Integrated Environmental Safety and Health Management System (ISMS):

Cultural Resource Awareness training was conducted for the 100 K Area Remedial Action project personnel. All site managers and field staff were provided with an overview of the unique cultural resources contained within the project area. New hires then completed the required training class that provides information on how to recognize cultural resources, and what to do in the event that resources are uncovered during project operations.

Based on document reviews and benchmarking the Idaho National Engineering and Environmental Laboratory (INEEL) Environmental Management System (EMS) Program, BHI Regulatory Support developed a strategy for obtaining an ISO 14001 certification for the BHI EMS Program. The strategy was developed from existing ERC processes and integrates the EMS Program with the ERC VPP and ISMS Programs. Efforts are underway to obtain senior management approval of the strategy towards enhancing the ERC EMS for self-declaration with the ISO 14001 Standard.

Four nominations were submitted to RL for the DOE National Pollution Prevention Award Program. Over 50 nominations from across the DOE complex were submitted. BHI submitted award nominations in the following categories: Affirmative Procurement, Environmental Management Systems, Return on Investment, and Waste/Pollution Prevention. Each of the nominations won their respective categories in the first round of judging. Winners of the final round of judging will be notified by the end of January and may become eligible to be submitted by DOE Headquarters to the White House "Closing the Circle Award" Program.

BHI conducted an independent assessment of the ERC Subcontract Management Process, with emphasis on oversight and requirements flowdown.

**ENVIRONMENTAL MANAGEMENT PERFORMANCE REPORT
ENVIRONMENTAL RESTORATION
DECEMBER 2002**

SAFETY (continued)

BHI revised procedure BHI-CQP-01, *Compliance and Quality Programs*, Procedure 2.8, "Evaluation of Potential Noncompliances with the QA Rule;" and BHI-MA-02, *ERC Project Procedures*, Procedure 2.2, "Corrective Action Tracking System."

BHI continued toward full implementation of the ISMS Performance Objectives, Measures, and Indicators Process (hereafter referred to as metrics) that BHI communicated to RL in document BHI-01550. Data collection continues. New data for the month of December and the first quarter of FY03 for all metrics requiring monthly reporting were provided to RL by letter.

Other accomplishments during the month included:

- BHI continues to work on the items from the action plan reported in September, which captured the tasks needing completion to achieve the institutionalization goal. This plan included some 515 items that range from establishing a BHI Management Metric Review Committee to providing additional training for both RL and BHI personnel that use the ISMS Metrics processes and data.
- BHI's ISMS Metrics Process document was submitted to RL for review and comment.

**ENVIRONMENTAL MANAGEMENT PERFORMANCE REPORT
ENVIRONMENTAL RESTORATION
DECEMBER 2002**

PROCESS IMPROVEMENTS

Six Sigma:

- Continued with the implementation of the Six Sigma program across the ERC.
- Continued the development of a top-down approach for Six Sigma. Nine major business processes were defined. Developed process flows at Level 2 and Level 3 for site evaluation.
- The Steering Committee continued to meet in December. Focus was on the transition of the Six Sigma program from the core team to the project/functions and filling the PIP pipeline.
- 6Net accounts were established for all new BHI Yellow Belts and Champions.
- Yellow Belt summit is scheduled for January 28, 2003. This is the final step to fulfill certification requirements for the newly trained Yellow Belts.

Process Improvement Projects (PIPs) and status include:

- Continued to address the business case for the Remedial Action and Waste Disposal (RAWD) Container Handling PIP (PIP #11). Consistent performance targets and specification limits for each customer will be developed as a means to identify and define the business case. A draft business plan is currently in final review.
- Continued with the development of a business case for processing anomalous waste at the burial grounds.
- Progressed with efforts toward developing a business case addressing the requirement of radiological survey of trucks leaving from low-risk sites.

MAJOR COMMITMENTS

Tri-Party Agreement Milestones: Two (2) Tri-Party Agreement milestones are planned for completion during FY03.

Total Tri-Party Agreement Milestones Due in FY03	2
Total Planned through December	0
Total Completed through December	1

Remaining Tri-Party Agreement Milestones to be Completed in FY03	1
Forecast Ahead of Schedule	1
Forecast On Schedule	0

Tri-Party Agreement Milestone M-16-10A, "Initiate Remedial Action in the 100-KR-1 Operable Unit", (due August 1, 2003) was completed on December 11, more than seven months ahead of schedule.

**ENVIRONMENTAL MANAGEMENT PERFORMANCE REPORT
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DECEMBER 2002**

PERFORMANCE OBJECTIVES

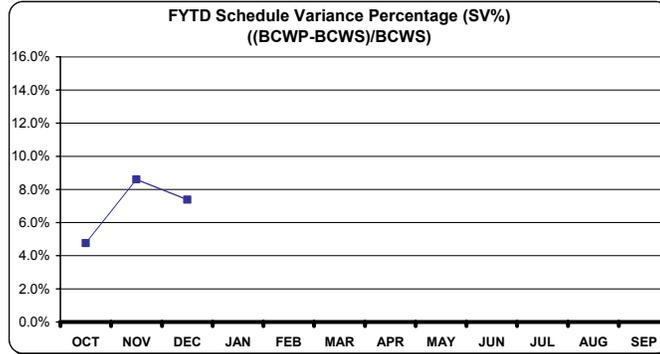
BHI focus area performance incentives are noted below. Specific River Corridor performance incentives are identified in Section B.

	PI	Fee Allocation	Task	Status
	Execute Detailed Work Plan	Incentive fee shall not exceed 100%; if SPI is less than 75% at end of contract period, no fee shall be awarded.	Perform to approved DWP through contract period ending 12/31/02 in accordance with the SPI provision.	Through December, the SPI is 1.10, or 10% ahead of schedule.
	Safety	Up to 50% of fee available for this PI may be forfeited if failure to satisfactorily meet PI in accordance with applicable requirements.	Protect worker safety and health, public safety and health, and the environment.	No issues or negative findings were identified with regard to the 16 performance failure criteria associated with this performance incentive. In addition, no injuries of any type have been experienced since a first-aid injury occurred on November 1.

**ENVIRONMENTAL MANAGEMENT PERFORMANCE REPORT
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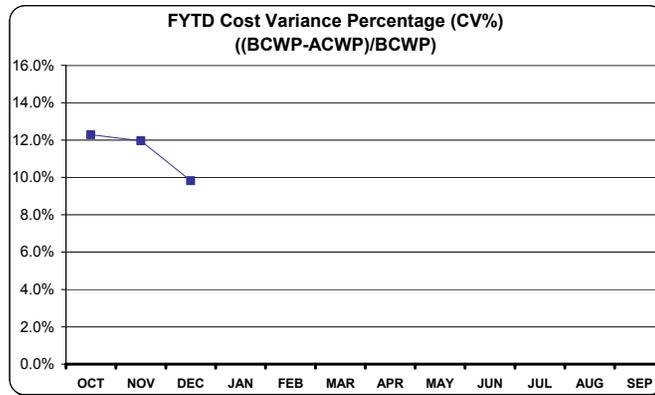
TOTAL ERC COST/SCHEDULE OVERVIEW

**FY03 ERC PERFORMANCE SUMMARY
FYTD DECEMBER 2002
(\$K)**



***NOTE: ERC current contract completes April 30, 2003.**

	OCT	NOV	DEC	JAN	FEB	MAR	*APR	MAY	JUN	JUL	AUG	SEP
DWP	8,451	8,521	9,154	8,467	8,304	10,768	8,608	8,797	10,797	8,997	10,602	9,997
DWP (Accum)	8,451	16,973	26,127	34,594	42,898	53,666	62,274	71,071	81,868	90,865	101,466	111,463
CURRENT PERIOD												
BCWS	8,898	8,767	10,438	8,661	8,391	10,573	9,231	8,896	10,864	9,228	10,764	9,289
BCWP	9,322	9,863	10,993									
FISCAL YEAR TO DATE												
BCWS	8,898	17,665	28,103	36,764	45,155	55,728	64,959	73,854	84,718	93,946	104,711	114,000
BCWP	9,322	19,185	30,178									
SV	424	1,520	2,075									
SV%	4.8%	8.6%	7.4%									



	OCT	NOV	DEC	JAN	FEB	MAR	*APR	MAY	JUN	JUL	AUG	SEP	EAC
CURRENT PERIOD													
ACWP	8,177	8,713	10,324										
BCWP	9,322	9,863	10,993										
FISCAL YEAR TO DATE													
ACWP	8,177	16,890	27,214										
BCWP	9,322	19,185	30,178										
CV	1,145	2,295	2,964										
CV%	12.3%	12.0%	9.8%										
EAC (Cumulative)	8,177	16,890	27,214	36,787	45,842	56,901	66,005	74,558	84,955	93,500	103,422	112,545	112,545

**ENVIRONMENTAL MANAGEMENT PERFORMANCE REPORT
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TOTAL ERC COST/SCHEDULE OVERVIEW (continued)

**FY03 ERC PBS PERFORMANCE SUMMARY
FYTD DECEMBER 2002
(\$K)**

	FY03 DWP BCWS	CURRENT BCWS	FYTD			FYTD SCHEDULE VARIANCE			FYTD COST VARIANCE			EAC
			BCWS	BCWP	ACWP	\$	%	SPI	\$	%	CPI	
RC01	65,900	67,216	16,736	17,047	15,358	311	1.9%	1.02	1,689	9.9%	1.11	66,527
RC02	12,608	13,406	3,064	4,468	3,863	1,404	45.8%	1.46	605	13.5%	1.16	13,075
RC05	32,855	33,279	8,293	8,653	7,986	360	4.3%	1.04	667	7.7%	1.08	32,847
RCR-Subtotal	111,363	113,901	28,093	30,168	27,207	2,075	7.4%	1.07	2,961	9.8%	1.11	112,449
SC01	100	99	10	10	7	0	0.0%	1.00	3	30.0%	1.43	
SS-Subtotal	100	99	10	10	7	0	0.0%	1.00	3	30.0%	1.43	96
ERC TOTAL	111,463	114,000	28,103	30,178	27,214	2,075	7.4%	1.07	2,964	9.8%	1.11	112,545

Schedule Variance Summary:

Through December, the ER Project is \$2.1M (+7.4%) ahead of schedule. The positive schedule variance is attributed to the acceleration of the 618-5 Burial Ground remediation operations two months ahead of schedule.

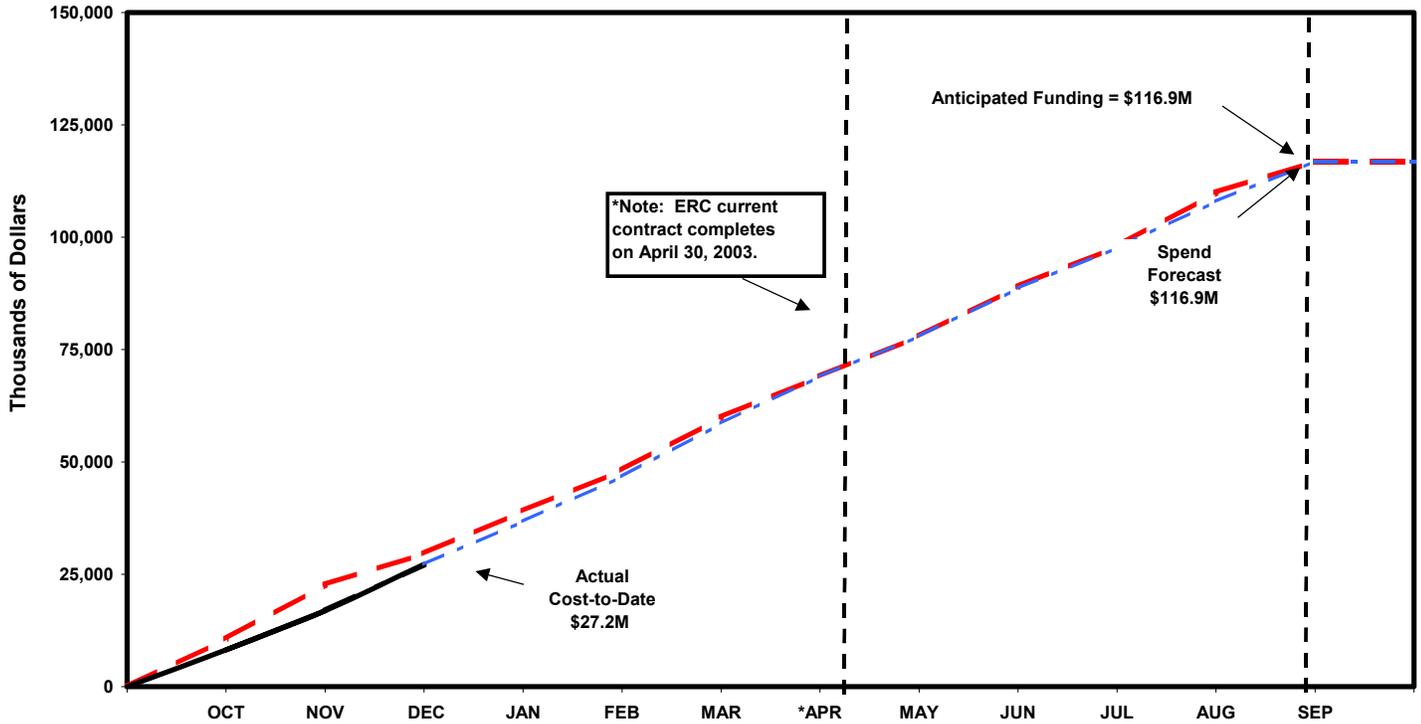
Cost Variance Summary:

At the end of December, the ER Project had performed \$30.2M worth of work, at a cost of \$27.2M. This results in a favorable cost variance of \$3.0M (+9.8%). The positive cost variance is attributed to consolidating common 618-4 and 618-5 Burial Ground remediation activities, LDR lead soil treatment at ERDF less than planned, and fewer equipment/weather delays and fuel storage basin (FSB) issues than planned for H Reactor ISS demolition.

**ENVIRONMENTAL MANAGEMENT PERFORMANCE REPORT
ENVIRONMENTAL RESTORATION
DECEMBER 2002**

TOTAL ERC COST/SCHEDULE OVERVIEW (continued)

FY03 FUNDING VS. FORECAST EXPENDITURES (EAC)



		OCT	NOV	DEC	JAN	FEB	MAR	*APR	MAY	JUN	JUL	AUG	SEP	Est Outyr ETC	TOTAL
1	FY03 ERC FUNDING	10,661	22,718	29,610	39,133	48,200	60,000	69,056	78,000	89,000	98,000	110,000	116,913		
ACTUAL/EAC ON APPROVED SCOPE															
2	Actual Cost Cumulative Through December	8,177	16,890	27,214											
3	Current Monthly Actuals/ EACs	8,177	8,713	10,324	9,573	9,055	11,059	9,104	8,553	10,397	8,546	9,922	9,122		
4	Cumulative Actuals/EACs on Approved Scope	8,177	16,890	27,214	36,787	45,842	56,901	66,005	74,558	84,955	93,501	103,423	112,545		112,545
JANUARY FY2003 APPROVED BCPs															
5															0
6	Subtotal Approved Scope Changes				0	0	0	0	0	0	0	0	0	0	0
JANUARY FY2003 PENDING SCOPE CHANGES															
7	RC01 BCP-23X02 D Reactor Fuel Fragment Disposal						40								40
8	RC05 BCP-23X01 Fire Loop Line Upgrade					70									70
9	SS01 BCP-23X04 Implementation of the River Corridor Contract Transition (Funding Utilization Only)					400	400	500							1,300
10	ALL BCP-23020 Inactive Site Categorization (Roberson)				25	25									50
11	SS01 BCP-23X03 Study of River Corridor Contract - Transition Charges					100									100
12	ALL BCP-23X06 Increased Costs for Record Handling					17									17
13	ALL BCP-23X05 Post Contract Accruals							635					(635)		0
14	ALL BCP-23028 Reduction in Project Controls Budget				(76)										(76)
15	ALL Pending Scope Additions, Deletions, etc.				51	324	323	209	324	323	467	423	423		2,867
16	Subtotal Approved BCPs + Pending BCPs				0	936	763	1,344	324	323	467	423	(212)	0	4,368
17	Current Monthly Actuals/EACs + January FY 2003 Approved + Pending BCPs	8,177	8,713	10,324	9,573	9,991	11,822	10,448	8,877	10,720	9,013	10,345	8,910		
18	Cumulative Actuals/EACs + January FY 2003 Approved + Pending BCPs	8,177	16,890	27,214	36,787	46,778	58,600	69,048	77,925	88,645	97,658	108,003	116,913	-	116,913

**ENVIRONMENTAL MANAGEMENT PERFORMANCE REPORT
ENVIRONMENTAL RESTORATION
DECEMBER 2002**

ISSUES (REGULATORY/EXTERNAL/DOE)

See Section B issues.

KEY INTEGRATION ACTIVITIES

See Section B key integration activities.

UPCOMING PLANNED KEY EVENTS

Tri-Party Agreement Milestone M-93-16, Complete DR Reactor Interim Safe Storage (due September 30, 2003) scheduled for early completion in January 2003.

Transition ER River Corridor workscope upon award of new contract.

**ENVIRONMENTAL MANAGEMENT PERFORMANCE REPORT
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SECTION B – RIVER CORRIDOR RESTORATION

Data as of month-end December

ACCOMPLISHMENTS

100 Area River Corridor Cleanup (RC01):

During December, loadout activities were completed on pipelines 25 and 26 (1.7-meter [66-inch] steel effluent pipelines) between B Reactor and the cross connection box. Contaminated soil was removed from the area surrounding the cross connection box, and demolition and loadout of the cross connection box were initiated. Clean overburden removal was initiated on pipelines 28 and 29. Clean overburden was also removed from pipeline 4 south of B Avenue.

Excavation and variance sampling were completed for the 116-F-1 Lewis Canal waste site in the 100 F Area. Closeout sampling was also completed for the 116-F-10 French Drain. The 100 F Area burial grounds preliminary design was also initiated.

On December 11, remediation activities were initiated at the 116-KW-3 Retention Basin, which satisfies achievement of Tri-Party Agreement Milestone M-16-10A, "Initiate Remedial Action in the 100-KR-1 Operable Unit," (due August 1, 2003) more than seven months ahead of schedule. A second presentation was provided to the Confederated Tribes of the Umatilla Indian Reservation (CTUIR) Cultural Resource Commission to review the 100 K Area mitigation action plan.

Preliminary design for the 118-K-1 Burial Ground is ahead of schedule by approximately three weeks, with design review scheduled for early February.

The Dolphin hand-held computer technology was deployed at 100 K Area in conjunction with the Mobile Access Control software. The Dolphin is used to collect data on personnel, work permits, and tasks in the field, which are later uploaded into the database from a networked computer. This technology will improve efficiencies in the field and accuracy of data entered into the Automated Radiological Access Control System (ARACS).

In the 100 N Area, backfill of the 120-N-1 and 120-N-2 waste sites was completed. Excavation of plume 6, located adjacent to the 116-N-1 Trench, continued during December and will extend into January. The 116-N-1 waste site Explanation of Significant Difference (ESD) was submitted to RL and the regulators for review. The ESD proposes changes to the records of decision for soil sites located in the 100 N Area, and is planned for public comment beginning February 3. The RCRA permit modification for the 100 N Area treatment, storage, and disposal (TSD) sites was transmitted to Fluor Hanford, Inc. (FH) on December 5. FH will summarize all RCRA permit modifications for submittal to Ecology in January. Modification to the permit schedule is required due to extensive plumes encountered during 100 N Area remediation.

The BHI report, *Data Quality Objectives (DQO) Summary Report for the 100 Area Remaining Confirmatory Sampling Effort Sites*, was revised to include options for graded sampling approaches (i.e., focused/biased sampling) and incorporates 300 Area confirmatory sampling sites. The sampling and analysis plan for remaining sites is currently being revised to incorporate the outcome of the revised DQO.

Shop drawing development and steel procurement were initiated for the F Reactor safe storage enclosure (SSE) roof installation. SSE mobilization is scheduled to begin in February. Environmental sampling was also completed for the west side slope and fuel storage basin (FSB) floor.

**ENVIRONMENTAL MANAGEMENT PERFORMANCE REPORT
ENVIRONMENTAL RESTORATION
DECEMBER 2002**

ACCOMPLISHMENTS (continued)

D Reactor below-grade concrete pourbacks were completed on December 17.

At H Reactor, scheduled demolition of Area 1 (gas wing area) was completed. Removal of the top 38 centimeters (15 inches) of material from the northern section of the FSB was also completed. Laser-Assisted Ranging and Data System (LARADS) mapping surveys of the FSB were performed. The results indicated six hot spots in the northwest corner of the FSB and around the discharge chute.

Drafts of the Removal Action Work Plan and Air Monitoring Plan for 100 N Area ancillary facilities were transmitted to RL and the regulators for review.

Several 100 Area surveillance and maintenance tasks were completed during December:

- Completed the first 5-year surveillance of C Reactor.
- Completed KE Reactor annual surveillance.
- Completed 100 N Area annual surveillance consisting of 16 buildings and 50 facilities.
- Prepared and released for "bid only" the 109-N asbestos removal project requisition.
- Completed the FY02 Remedial Action Radiation Area (RARA) annual report.
- Completed the reactor auditable safety analysis (ASA) commitments implementation assessment for the B, C, DR, KE, and KW Reactors.
- Completed B Reactor room-by-room hazards mitigation repairs to the control room, lead paint encapsulation, and floor tile sealing.
- Conducted B Reactor tours for military interpreters, Nez Perce Tribal leaders, and Bechtel procurement personnel.

300 Area Cleanup (RC02):

During December, work was initiated on the 300-FF-1 Operable Unit waste sites regrading subcontract procurement package.

While a front-end loader was performing sorting operations at the 618-5 Burial Ground staging pile area, a flame was observed. Work was immediately halted. After review of photos, the Hanford Fire Department was requested to take samples as a precautionary measure. Analysis results are expected by mid-January.

Based on the 300 Area Kd/leach study results, the BHI report, *Protection of 300 Area Groundwater from Uranium-Contaminated Soils at Remediated Sites*, was completed and issued. The report documents a new uranium groundwater protection standard at 267 pCi/g, slightly lower than the previous 350 pCi/g standard. Application of this new standard is not expected to significantly affect remedial action schedule or cost. The new standard was compared to cleanup data collected from previously remediated waste sites. All 300 Area waste sites met the new standard without additional analysis required, except a portion of the North Process Pond where a site-specific leach test is recommended to determine if additional remediation is needed.

The 300-FF-2 highway infrastructure preliminary design package was completed and submitted for review. The preliminary design includes construction of acceleration and deceleration/turnout lanes to enhance safe hauling operations into and from 300 Area waste sites located west of Route 4.

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ACCOMPLISHMENTS (continued)

River Corridor Waste Management (RC05):

The initial campaign to stabilize lead-contaminated soil from the 300 Area was completed at ERDF. The next campaign is scheduled to begin in February. Disposal of soft waste and empty fuel canisters from K Basin continued. Proposals for revised packaging are being considered that could provide cost savings by eliminating the need to grout fuel canisters.

The design for the next ERDF expansion phase was initiated and is 60% complete.

The ERDF Disposal team has worked 80 months (since project inception) without a lost time accident.

During December, 43,426 metric tons (47,869 tons) of contaminated waste were disposed in ERDF, for a total of 143,526 metric tons (158,211 tons) disposed to date in FY03. A total of 3,607,168 metric tons (3,976,243 tons) of waste have been disposed in ERDF since operations began in July 1996.

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MAJOR COMMITMENTS (FISCAL YEAR PLUS 6 MONTHS)

TPA Milestone	Description	Due Date	(F)/(A) Date
M-16-10A	Initiate Remedial Action in the 100-KR-1 Operable Unit	08/01/03	12/11/02 (A)
M-93-16	Complete 105-DR Reactor Interim Safe Storage	09/30/03	01/31/03 (F)
M-16-63	Submit a Schedule and TPA Milestones to Complete Interim Remedial Actions for the Following 300-FF-2 Waste Sites (300-259, 303-M SA, 303-M UOF, UPR-300-46, URP-300-17, and 618-1) and Confirmatory Sampling of the Following 300-FF-2 Candidate Sites (300-109, 300-110, and 333 ESHWSA)	11/30/03	11/30/03 (F)
M-94-01	Submit a Schedule and TPA Milestones to Complete Disposition of the Following Surplus Facilities: 303M, 332, 333, 334, 334A, 3221, 3222, 3223, 324, 3225, 324, 324B, 327 (River Corridor scope currently maintained by FH)	11/30/03	11/30/03 (F)
M-16-03H	Complete Remediation of Waste Sites in 300-FF-1 Operable Unit to Include Excavation, Verification, and Regrading, Including the 618-4 Burial Ground in Accordance with an Approved RDR/ RAWP	12/31/03	12/31/03 (F)

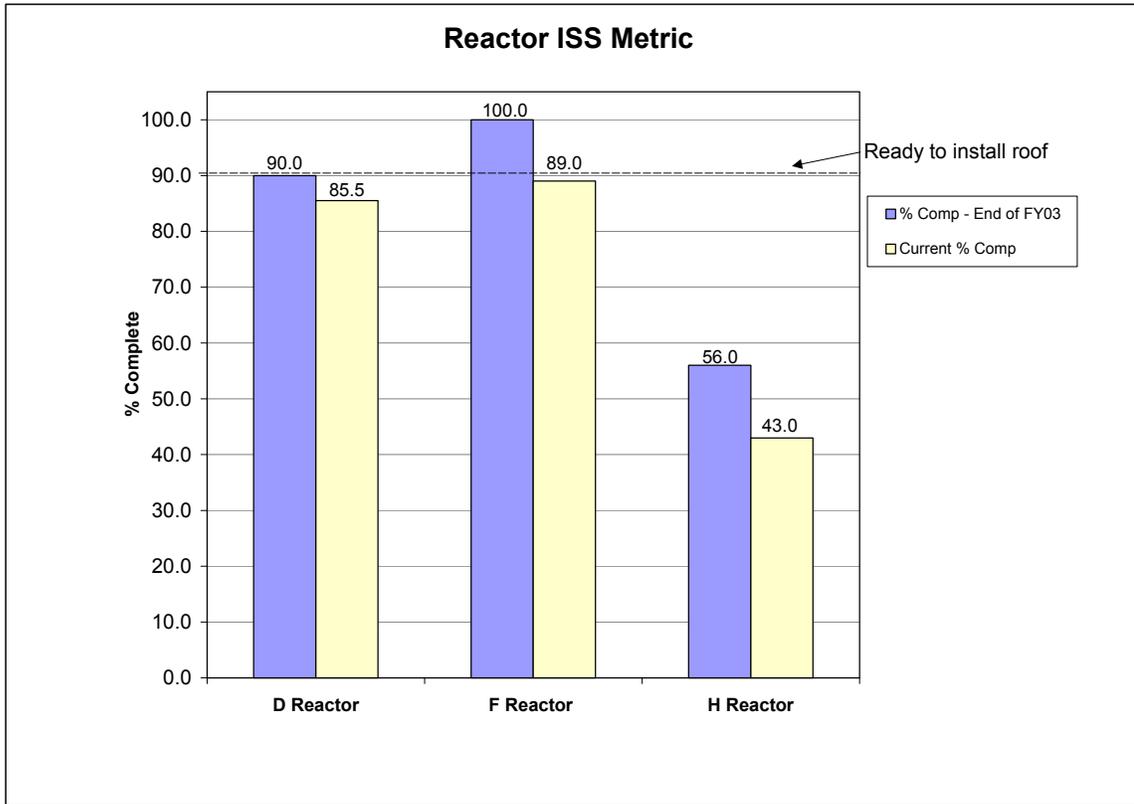
PERFORMANCE OBJECTIVES



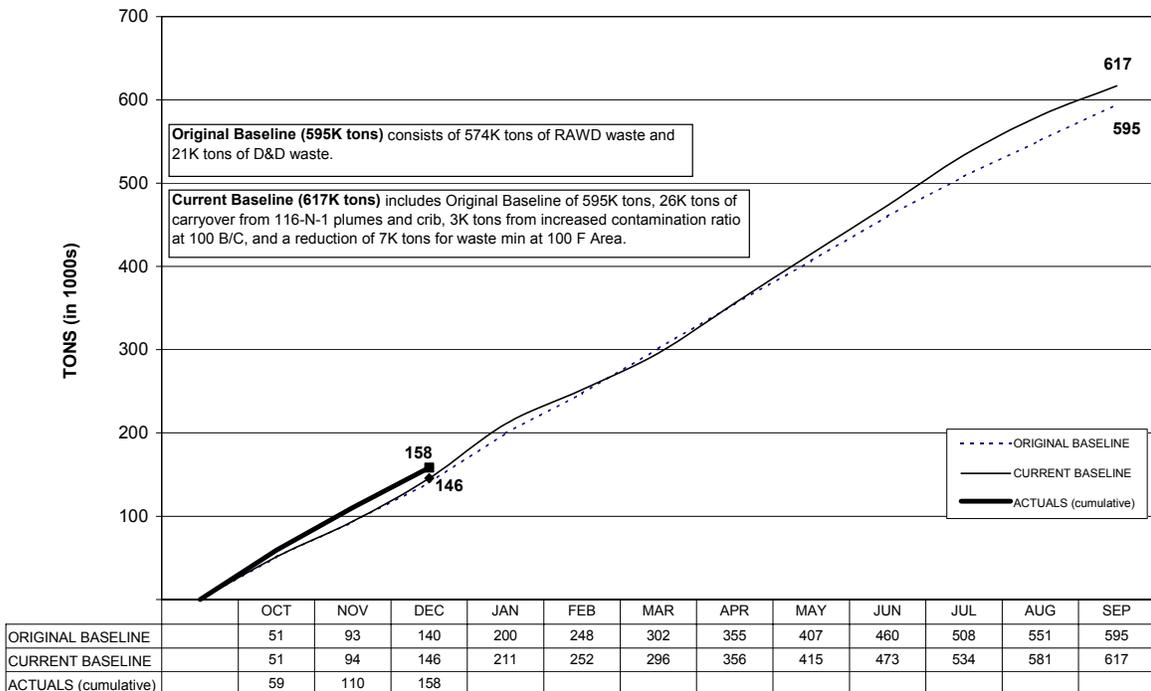
PI	Task
Reactor Interim Safe Storage	Complete FY02 carryover ISS activities at F Reactor by November 20, 2002. Status: Completed on November 13. Notice of Completion package will be transmitted to RL in January.

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PERFORMANCE MEASURES/METRICS



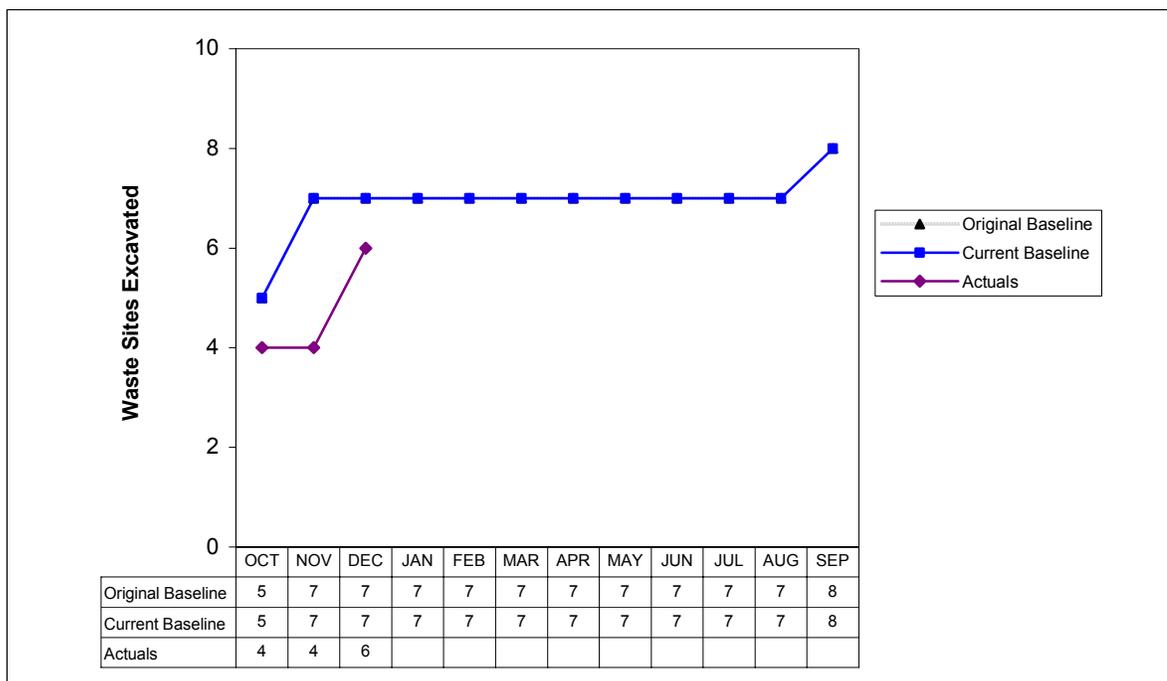
Remedial Action Metric Cumulative Tons to ERDF



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PERFORMANCE MEASURES/METRICS (continued)

Waste Site Metric
Excavations Completed
(cumulative)



Technology Deployments

Technology Deployment	PBS	Date Deployed	First-Time Deployment
Enhanced Site Characterization System (deployed at 618-5 Burial Ground)	RC02	10/02	No
RF Camera System for Brokk™ (deployed at H Reactor FSB)	RC01	10/02	Yes
IPIX 360-Degree Photography (deployed at C Reactor)	RC01	11/02	Yes
Dolphin Electronic Log Books (deployed at 100 K Area for Mobile Access Control)	RC01	12/02	Yes

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COST/SCHEDULE STATUS

Schedule:

River Corridor Restoration	BCWS	BCWP	Variance
	\$K	\$K	\$K
RC01 100 Area River Corridor Cleanup	16,736	17,047	311
RC02 300 Area Cleanup	3,064	4,468	1,404
RC05 River Corridor Waste Management	8,293	8,653	360
TOTAL River Corridor Restoration:	28,093	30,168	2,075

PBS-RC01 – 100 Area River Corridor Cleanup

Schedule Variance = **\$311K; 1.9%**

Cause: Excavation of Plume 6 (N Area) ahead of schedule; 120-N-1 and 120-N-2 backfill also completed ahead of schedule. Subcontractor slightly behind schedule installing utilities (telephone lines/potable water) in 100 K Area.

Resolution: N/A; full recovery expected in 100 K Area.

Cause: H Reactor ISS demolition/saw cutting activities ahead of schedule.

Resolution: N/A

Cause: Delay in FY02 performance fee payment.

Resolution: Performance fee payment expected in January.

PBS-RC02 – 300 Area Cleanup

Schedule Variance = **\$1,404K; 45.8%**

Cause: 618-5 Burial Ground remediation initiated two months early.

Resolution: N/A

PBS-RC05 – River Corridor Waste Management

Schedule Variance = **\$360K; 4.3%**

Cause: More LDR soil treated than planned; waste disposal also ahead of plan by 12K tons due to mild winter weather.

Resolution: N/A

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COST/SCHEDULE STATUS (continued)

Cost:

River Corridor Restoration	FY03 EAC	BCWP	ACWP	Variance
	\$K	\$K	\$K	\$K
RC01 100 Area River Corridor Cleanup	66,527	17,047	15,358	1,689
RC02 300 Area Cleanup	13,075	4,468	3,863	605
RC05 River Corridor Waste Management	33,279	8,653	7,986	667
TOTAL River Corridor Restoration:	112,449	30,168	27,207	2,961

PBS-RC01 – 100 Area River Corridor Cleanup

Cost Variance = **\$1,689K; 9.9%**

Cause: Sharing resources for both 100 F and K Area remediation.

Resolution: Underrun reflected in EAC.

Cause: Fewer equipment/weather delays and FSB issues than planned for H Reactor ISS demolition. Less sampling/analysis required for F Reactor overburden soil due to contamination levels requiring ERDF disposal.

Resolution: Underrun reflected in EAC.

Cause: Surveillance and Maintenance herbicide and revegetation tasks less than planned.

Resolution: Underrun reflected in EAC.

PBS-RC02 – 300 Area Cleanup

Cost Variance = **\$605K; 13.5%**

Cause: Efficiencies realized in 618-4 Burial Ground sorting, sampling, and loadout of contaminated soils; and in consolidation of common 618-4 and 618-5 Burial Ground remediation activities.

Resolution: Underrun reflected in EAC.

PBS-RC05 – River Corridor Waste Management

Cost Variance = **\$667K; 7.7%**

Cause: LDR lead soil treatment costs less than planned; LDR treatment and waste disposal were overaccrued in September resulting in a FY03 credit.

Resolution: Underrun reflected in EAC.

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ISSUES (REGULATORY/EXTERNAL/DOE)

- **100 N Area Remediation:** Results of residual radioactivity (RESRAD) modeling performed for the 116-N-1 crib and trench indicate that the site will not attain groundwater remedial action objectives (RAOs) following excavation. The results indicate that the lowest vadose zone layer contributes contaminants at levels above the RAOs.

Status: Regulators and stakeholders provided input on the proposed Explanation of Significant Difference (ESD) for 116-N-1 site closeout during the Hanford Advisory Board (HAB) River and Plateau Committee meetings held on November 14 and January 8. A revised ESD incorporating HAB and regulator comments was sent to the regulators on January 16. A 30-day public comment period on the ESD is scheduled to start on February 3.

- **300-FF-1 Regrading:** BHI is currently preparing a Request for Proposal (RFP) to procure a regrading subcontractor for the 300-FF-1 Operable Unit in accordance with the FY03 Detailed Work Plan (DWP). The project is on schedule to meet Tri-Party Agreement Milestone M-16-03H, "Complete Remediation of Waste Sites in 300-FF-1 Operable Unit to Include Excavation, Verification, and Regrading, Including the 618-4 Burial Ground in Accordance with an Approved RDR/RAWP", due December 31, 2003. During December, the U.S. Environmental Protection Agency (EPA) expressed a concern with proceeding with the approved regrading plan suggesting that a different "industry ready" end state needs to be evaluated.

Status: In response to EPA's comments, RL issued a letter to EPA identifying a potential impact to Tri-Party Agreement Milestone M-16-03H pending the outcome of discussions to be held in January. BHI issued a letter to RL indicating that the regrading project is on schedule and that BHI will continue with preparation of the RFP package. However, any changes to the design made after January 3, 2003 will require rework.

INTEGRATION ACTIVITIES

None identified at this time.