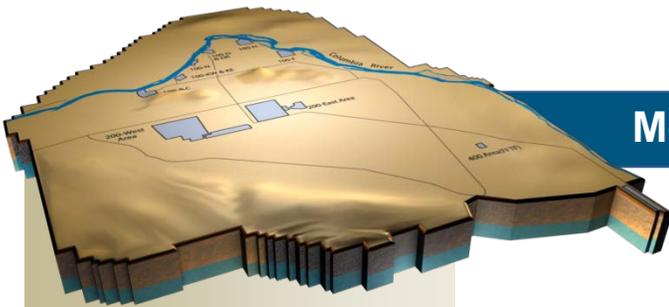


Appendix C

Project Services and Support (WBS 000) (PBS RL-XX.99)



Monthly Performance Report

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January 2010
DOE/RL-2008-69, Rev. 15
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Deliverable C.3.1.3.1 - 1

D. B. Cartmell
Vice President for
Business Services and
Project Controls

PROGRAM SUMMARY

Project Services and Support functional activities continues to provide support and technical services to all CHPRC projects as well as central management of cross-cutting services.

TARGET ZERO PERFORMANCE

| | CM Quantity | FYTD Quantity | Comment |
|--|----------------|------------------|---------|
| Days Away, Restricted or Transferred | 0 | 0 | N/A |
| Total Recordable Injuries | 0 | 0 | N/A |
| First Aid Cases | 0 | 0 | N/A |
| Near-Misses | 0 | 0 | N/A |

KEY ACCOMPLISHMENTS

Safety, Health, Security, and Quality

The monthly President's Zero Accident Council (PZAC) meeting was held on January 20, 2010. Safety, Health, Security, and Quality (SHS&Q) sponsored the meeting. Main themes for the meeting centered on health and wellness services available through the Site medical contractor, participation in the daily stretch-and-flex programs, SafeZone Participation, and progress relating to the CHPRC Voluntary Protection Program (VPP) self-assessment activities.

Significant SHS&Q-related Program activities during the month included:

- Four *Thinking Target Zero*: Spill Response, EMS Targets and Objectives, Material Handling and Control of Loads, and Hanford-wide Stop Work Policy. One special safety bulletin: Failed Thermostat on Heater, and lessons learned information on the topics of scaffolding, crane maintenance, and electrical safety for the Quarterly Safety presentation and discussion with CHPRC subcontractors.
- CHPRC transmitted a Continuing Safety Improvement Action Plan to RL to provide additional detail to support clear understanding of the underlying causes and alignment with the corrective actions in accordance with Supplemental Contractor Requirements Document 470.2B. Critical analysis identified weakness in four program areas that require additional corrective actions:
 1. Hoisting and rigging
 2. Radiological work practices and technical basis documents
 3. Quality of Condition Reporting & Resolution System (CRRS) closure
 4. Conduct of Operations
- The Executive Safety Review Board (ESRB) met to perform the quarterly review the OS&IH, Nuclear Criticality Safety, Conduct of Operations, and Corrective Action/Price Anderson Amendments Act/Occurrence Reporting programs. The ESRB reviewed and confirmed CHPRC's readiness to proceed with ISMS/EMS verification.

- In a coordinated effort with Employee Zero Accident Council (EZAC) representatives and the Hanford IT contractor, OS&IH commenced with development of web-based electronic database aligned to the safety logbook system, designed to provide tracking and trending capabilities for project safety information.
- Developed and formalized a listing of SHS&Q competent person program assignments (OSHA-based), and supplemented with training course descriptions.
- Continued implementation to the new Hanford Site Chronic Beryllium Disease Prevention Program:
 - Completed ~100% of Beryllium Facility Assessments
 - Completed delivery of gap training for Beryllium Workers
 - Implemented Beryllium Work Permits usage at beryllium controlled facilities
- Supported project personnel through mentoring sessions for Release Authority candidates in EPC and support to various projects to complete designations for competent persons.
- Supported various training including teaching courses, CHPRC Work Management Overview, Effective Work Planning, Field Work Supervisor, and AJHA training for Subject Matter Experts, Technical Authorities and BTRs.
- Worked with Mine Safety Appliances Company in the identification of a manufacturing defect in a powered air purifying respirator (PAPR); removed potentially affected units from service and arranged for factory repair, including preparation for February audit of the manufacturing plant in North Carolina as a quality systems response to identifying PAPR manufacturing defect.
- Deployed over 100 additional contamination friskers to the field in support of ARRA workers/activities.
- Issued Revision 2 of the OCRWM QAPP (CHPRC-QAPP-OCRWM-001) to incorporate the Sludge Treatment Project into the OCRWM program to support potential MCO procurement activities for removal of the material from the knockout pots.
- Provided a suspect/counterfeit item briefing at the quarterly subcontractor meeting. This briefing led to requests from some subcontractors for more focused training to their personnel on identification and control of suspect/counterfeit items.
- Fifty two self assessments were performed by CHPRC this month resulting in 83 condition reports. Eight condition reports were screened as Adverse with no condition reports screened as Significant.
- Submitted nine safety documents to RL for review and approval, including the annual update to the CSB, ISA, CVDF and 224-B Facilities.
- RL approved five documents including two SPA checklists to support transportation of waste materials from the PFP cleanup effort.
- Emergency Preparedness (EP) completed scheduled drills for 2009 in all projects/facilities maintaining FERO qualifications. Additionally, 2010 Drill schedules were approved with an emphasis on providing additional drills including operational and environmental components.
- The EP department filled all field vacancies and reorganized by creating two field lead positions to provide day to day guidance for the project/facility.
- Formed a central program staff under an experienced lead, including:
 - Nuclear safety professional to perform hazard screenings and develop/maintain EPHAs.
 - Radcon professional to assist in improving Radcon emergency response
 - Senior coordinator to develop guidance documents, perform training/mentoring, and programmatic assessments

Environmental Program and Strategic Planning (EPSP)

- Continued work to complete the remaining Environmental Management System (EMS) corrective actions identified in the corporate review and the RL independent audit in preparation for the Phase II ISMS/EMS Verification Assessment scheduled for February 2010.
- ISMS/EMS objectives and targets were revised and reissued to reflect project level organizational changes, guidelines for developing objectives and targets were revised, integration of EMS with ISMS was improved, EMS enhancements were made to various roles and responsibilities procedures and the re-designed EMS webpage was rolled out. In addition, the survey in support of the EMS target for employee transportation to 2420 and 2455 Stevens Center Place buildings was sent to employees on January 4, 2010. Results should be available soon.
- On January 20, an EPA inspector performed a compliance inspection of the 100K outfall for compliance with the recently issued NPDES permit. No issues were noted at the close out meeting.
- A Notice of Termination for the storm water permit (NPDES Permit WAR-10B90F) for the 100K Area was submitted to EPA Headquarters on January 28, 2010. It was submitted because the piping connections that allowed storm water runoff to discharge via the 100K Outfall were sealed by the crews performing remediation. The termination of this piping ends the need to conduct periodic inspections and other compliance activities.
- A new CHPRC procedure was developed and published for spill and release prevention, management and reporting (PRC-PRO-EP-40270) on January 29, 2010 in support of SCR 450.1A requirements. It maintains the previous reporting requirements, but also phases in implementation of new planning, response, actions, and tracking requirements for smaller spills and releases.
- The ALARACT Demonstration Annotated Outline has been completed after receiving concurrence by the Department of Health on the revised outline document.
- The EQA organization completed eight surveillances during the month of January:
 - QA-EQA-SURV-10-004/IEP 7781 – EMS: Review CHPRC corporate process for procurement and receipt of recycled paper as per the Environmentally Preferred Products guidelines. Two findings (CR-2010-0020, CR-2010-0021) and one opportunity for improvement (CR-2010-0022) resulted.
 - QA-EQA-SURV-10-006/IEP 7783 – WM&F: Evaluate procurement of services for the Encapsulation and Storage Facility (WESF), 225-B Lower Roof Repair. No issues resulted from this activity.
 - QA-EQA-SURV-10-010/IEP 7793 – NESHAP: Review qualification and training process for samplers at the 296-W-4 Stack. One finding (CR-2010-0090) and one opportunity for improvement (CR-2010-0091) resulted from this activity.
 - QA-EQA-SURV-10-013/IEP 7793 – HASQARD: Review BOS D&D compliance with PRC-PRO-QA-268 Control of Purchased/Acquired Items and Services. No issues resulted from this surveillance.
 - QA-EQA-SURV-10-044/IEP 8622 – EDM: Evaluate implementation of HTAG charter. One finding (CR-2010-0083) and one opportunity for improvement (CR-2010-0084) resulted.
 - QA-EQA-SURV-10-045/IEP 8627 – T-Plant: Review procurement of the HEPA filter process with CHPRC procedures. One finding (CR-2010-0196) and three opportunities for improvement (CR-2010-0197, CR-2010-0198, CR-2-10-0199) resulted.
 - QA-EQA-SURV-10-046/IEP 8623 – HASQARD: Review process for use of custody seals on sampling containers by SGRP Samplers. One finding (CR-2010-0127) resulted.
 - QA-EQA-SURV-10-047/IEP 8584 – EMS: Evaluate process for establishing Aspects and Impacts and significance the impact has on the environment. One finding (CR-2010-0108) and one opportunity for improvement (CR-2010-0109) resulted.
- Completed and submitted the annual update to the Risk Management Plan to RL concurrent with the

delivery of the Performance Measurement Baseline Revision 2. In addition, Rev 2, Chg 0 CHPRC Project Execution Plan (PEP) was issued in preparation for ISMS/EMS Phase II certification.

- The ARRA Information Exchange Working Group scheduled for February 9-10, 2010 in Washington DC was postponed due to weather and will be rescheduled in March 2010.

Business Services and Project Controls

- The Performance Measurement Baseline (PMB) Revision 2, was delivered February 1, 2010. This delivery capped a significant effort that captured not only the base contract work, but incorporated ARRA workscope and comments and changes offered by RL. The PMB Rev. 2 also incorporated the comprehensive risk analysis that was performed in December 2009 and January 2010.
- Work continued on development of estimates associated with the Request for Equitable Adjustment (REAs) associated with ARRA, due for delivery on February 26, 2010. Work was completed to establish an REA/Proposal database through which estimates will be priced, including the generation of reports in accordance with FAR requirements. Conducted reviews of the REA justification and finalized a list of 31 packages to be submitted. These REAs will complete negotiations associated with the ARRA contract modification.
- ARRA reporting continued with submittal of weekly Jobs Data Call updates and the Monthly Report to RL. Assisted Balance of Site personnel in acquiring new PAPR Upgrade Kits (respiratory gear used in the field). This was an expedited order and required coordinating with Buyers, receiving personnel, AVS, truck drivers, and 2101M warehouse personnel to deliver the units in the field as soon as possible. The manufacturer ramped up production of the new models and expedited transportation. Quick turnaround avoided a work stoppage in the field. The high demand for respiratory gear continues.
- Coordinated exchange of spare parts between facilities for respiratory gear and HEPA vacuums. This “best practice” assists both in accelerating completion of field work, and in utilization of stock that would otherwise be unused. Since the borrowing facility compensates the loaning facility’s Spare Parts Inventory Budget, it represents a “zero-dollar” transaction for the loaning facility.
- Completed three Track Until Fixed CRRs by revising the Purchasing Card Procedure and the PRC PCard Holder’s User Manual to clarify direction on purchase of motorized vehicles and use of affirmative procurement language.
- Implemented process changes and contract clause changes to start gathering contractor labor-hour data for ARRA reporting. This is a change in reporting requirements directed by DOE that will require contractors to submit monthly data for ARRA-funded contracts where the work hours are not already being tracked directly in the Contract Labor Time Reporting system (CLTR). Data has thus far been received from approx 15 contractors reporting on 46 releases. First formal report due in early March based on February actual hours.
- CHPRC had been experiencing significant difficulty in obtaining technical support for installed instrument maintenance and repair and obtaining spares for Rosemount instruments. CHPRC inquired of other DOE contractors regarding contractual relationships available to help remedy this situation. As a result, a contractual relationship with the INL in Idaho Falls was provided describing their relationship with Rosemount. This was reviewed by CHPRC and determined to be acceptable with certain changes pertinent to the State of Washington. These terms were successfully negotiated with Rosemount. The Integrated Contractor Purchasing Team (ICPT) which is represented by a member of the CHPRC Procurement organization is in the process of writing a DOE complex wide agreement with Rosemount as a result of these successful negotiations. Possible issues avoided:
 - Design for and procurement of replacement instruments as Rosemount’s fail or become obsolete.
 - Redesign of 200W and HX locations to remove Rosemount instruments.
- Interface Management continued to serve as the lead for coordination of Integrated Safety Management System/Environmental Management System (ISMS/EMS) implementation for the

Business Services & Project Controls organization. This included facilitating Business Services & Project Controls preparations for the ISMS/EMS Phase II implementation external review scheduled for the beginning of February. Continued to work with AMH and CHPRC SH&Q, Procurement, Training, and EPC to address issues associated with implementation of 10 CFR 851, Worker Safety & Health Program and training requirements for CHPRC Subcontractor employees and completion of associated action items from the CHPRC September 23, 2009 Quarterly Subcontractor Safety Meeting.

Engineering, Projects and Construction (EPC)

- The ARRA Mobile Facilities Installation Project made seven additional mobile facilities ready for occupancy. Proposals were received and evaluated for two Phase III mobile facilities procurement contracts during January and award of these contracts will be completed in February. Phase III consist of ten Sites and a total of 36 new mobile units.
- Other significant accomplishments during the month of January include:
 - Completed design of the 200 East Unsecured Core Area Utilities (water, sewer, storm, electrical and telecommunications) and held a Pre-Bid Meeting with contractors on January 28, 2010. Bids will be opened on or about February 11, 2010.
 - Completed civil and electrical design for the W&FM WRAP Mobile Site and held a Pre-Bid Meeting with contractors on January 29, 2010. Bids are expected on February 4, 2010.
 - All Soil and Groundwater Mobile Offices at the 200 East Unsecured Core Area Site are complete, connected to generator power and telecommunications all significant punch list items are complete and are ready for occupancy.
 - The Construction punch list exceptions for W&FM MO2158 mobile office were completed and the unit was turned over for occupancy in early January.
 - Field construction of the 200 East Unsecured Core Are Pre-Engineered Metal Buildings began on January 14, 2010 and the concrete foundation for the first of the buildings was poured on January 27, 2010.
 - Construction to provide additional parking area lighting and vehicle hot starts for the Lower ALE site was completed on January 21, 2010.
 - Design of the W&FM 12B Burial Ground Mobile Facilities Installation reached 75% complete at the end of January.
 - Site Evaluations, Environmental (cultural and ecological) Review and scanning and survey work for several of the Phase III mobile facility sites were completed during the month of January.
- Central Engineering support to CHPRC included:
 - Central Engineering continued to provide technical support to the ARRA facilities projects, including Statement of Work (SOW) review and approval, detailed design drawing checking and approval, calculation preparation, submittal reviews, Facility Modification Packages (FMPs), Design Change Notices (DCNs), Memorandum of Understanding (MOU) review and approval, and field walk downs at the mobile office construction sites.
 - Engineering supported Soil & Groundwater in the evaluation of the deformation of ModuTank #2 structural framing and support system after the initial water fill. Engineering conducted structural evaluation to determine the cause and to provide a recommended solution for path forward.
 - Engineering issued Work Site Assessment # EPC-CE-WSA-10082, ModuTank #3 Supporting Frame Anchorage system Evaluation and corrective action requirements.
 - Issued the PFP Fire Vital Safety System assessment on January 19, 2010. The assessment identified no Findings and four Opportunities for Improvement.
 - Chaired and provided review for the Sludge Treatment Project Conceptual Design of the Engineered Container Retrieval and Transfer System. Engineering provided Design Review input and recommendation for the Seismic Design Categorization and Limit State requirements,

for Electrical requirements, and for HVAC requirements.

- Supported W&FMP by performing an independent review of the structural integrity of the ISC and its Impact Limiter due to the ISC drop on the ISA concrete pad.
- Continued to lead a Department of Energy (DOE)-wide effort to develop Commercial Grade Dedication (CGD) procedures and policies. The effort is in support of the Energy Facility Contractors Group (EFCOG) and is being worked in coordination with the RL and DOE-HQ efforts to develop and delivery CGD training to the DOE complex. The DOE National Training Center has become a participating partner in the training development and delivery process. Conference calls were held to discuss a draft procedure and to lay the foundation for preparation of detailed examples for training. A face-to-face working meeting is tentatively scheduled for mid-March at Hanford.

Communications and Outreach

- During the month of January, Communications participated in a media event announcing the startup of demolition of the 100K Area 183K West Water Treatment Facilities, a \$17.6M Recovery Act funded project. Regional media were on hand to view the demolition and report on the progress. Articles were posted in the Tri-City Herald and Walla Walla Union Bulletin, along with radio and television coverage in the Tri-Cities and Portland areas.
- Communications supported the Department of Energy with a site tour hosting CNN reporter Patrick Oppmann. CNN requested the tour and interviews as part of a special television and web report on the one-year anniversary of the passage of the Recovery Act by Congress.
- Communications supported RL in producing a *Faces of the Recovery Act* video that features Recovery Act hires from both CHPRC and Washington Hanford Closure.
- Other areas of support were publishing the monthly newsletter *On the Plateau* showcasing employee, project and safety accomplishments, and the *CHPRC Recovery Act Update* weekly newsletter capturing CHPRC's ARRA funded accomplishments including articles on new hires and remediation efforts.
- Communications continued to support and assist through graphics in launching of fact sheets for Integrated Management, PFP, publication services document, Health and Safety EXPO, CHPRC Winter Party, posters, flyers, e-mails, and committees such as the ISMS/EMS programs of Target ZERO, WOW, VPP Poster campaign, ISMS/EMS/VPP Activity book, Green Gazette, and Waste and Fuels VPP mascot logo.
- Community Outreach efforts included the Junior Achievement Bowling Fundraiser in recruiting 20 teams.
- Supported the Central Plateau Cleanup Strategy team in preparing for several stakeholder interactions including, presentations at the Hanford Advisory Board meeting, Tri-Cities Communities, Hanford Advisory Board River and Plateau Committee.
- Supported EPC with the Project Management Institute Project of the Year submittal, assisted Soil and Groundwater with the Proposal Vendor Conference scheduled February 10, 2010 at the Shiloh Inn.

PROJECT BASELINE PERFORMANCE

Current Month

(\$M)

| WBS 000 Project Services and Support | Budgeted Cost of Work Scheduled | Budgeted Cost of Work Performed | Actual Cost of Work Performed | Schedule Variance (\$) | Schedule Variance (%) | Cost Variance (\$) | Cost Variance (%) | Budget at Completion (BAC) |
|---|--|--|--|------------------------------|-----------------------------|--------------------------|-------------------------|----------------------------------|
| Indirect WBS 000 Total | 8.1 | 7.9 | 8.4 | (0.2) | -2.8 | (0.5) | -6.6 | 949.2 |
| Communications and Outreach | 0.2 | 0.2 | 0.1 | | | | | 14.8 |
| Safety, Health, Security and Quality | 1.6 | 1.4 | 1.3 | | | | | 105.0 |
| Environmental Programs and Strategic Planning | 0.4 | 0.4 | 0.3 | | | | | 34.7 |
| Business Services and Project Controls | 5.4 | 5.4 | 6.0 | | | | | 758.7 |
| Engineering, Projects and Construction | 0.5 | 0.5 | 0.7 | | | | | 35.9 |
| <u>PBS Allocations</u> (RL-0XX.99) Total | 14.7 | 14.7 | 8.4 | 0.0 | 0.0 | 6.3 | 42.8 | 949.2 |
| Base Total | 6.4 | 6.4 | 3.7 | | | | | 793.2 |
| RL-11 | 0.5 | 0.5 | 0.5 | | | | | 47.5 |
| RL-12 | 1.4 | 1.4 | 0.7 | | | | | 85.4 |
| RL-13 | 1.5 | 1.5 | 1.1 | | | | | 260.5 |
| RL-30 | 2.4 | 2.4 | 1.3 | | | | | 180.9 |
| RL-40 | 0.4 | 0.4 | 0.2 | | | | | 157.5 |
| RL-41 | 0.2 | 0.2 | 0.0 | | | | | 57.3 |
| RL-42 | 0.0 | 0.0 | 0.0 | | | | | 4.0 |
| ARRA Total | 8.3 | 8.3 | 4.8 | | | | | 156.0 |
| RL-11 | 1.9 | 1.9 | 1.1 | | | | | 40.0 |
| RL-13 | 2.3 | 2.3 | 1.1 | | | | | 37.5 |
| RL-30 | 0.7 | 0.7 | 0.9 | | | | | 13.4 |
| RL-40 | 1.9 | 1.9 | 1.0 | | | | | 37.2 |
| RL-41 | 1.4 | 1.4 | 0.7 | | | | | 27.8 |

Numbers are rounded to the nearest \$0.1M.

Indirect WBS 000**CM Schedule Performance: (-\$0.2M/-2.8%)**

The negative schedule variance is within threshold.

CM Cost Performance: (-\$0.5M/-6.6%)

The negative variance is primarily due to receipt of less than planned G&A offsets from the project's expenditures for GPP and Capital Equipment. This trend will continue to follow project performance.

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

Level of Effort.

CM Cost Performance: (+\$6.3M/+42.8%)

The positive cost variance is the result of a point adjustment from the implementation of BCR-PRC-10-011 "PRC Baseline Revision 2" (+\$6.8M). Monthly phasing of the distribution accounts from the WBS 000 G&A and DD accounts are not aligned, resulting in the variance. The actual variance in the G&A and DD accounts was a negative \$0.5M. This variance is primarily due to receipt of less than planned G&A offsets from the project's expenditures for GPP and Capital Equipment.

Contract-to-Date (\$M)

| WBS 000 Project Services and Support | Budgeted Cost of Work Scheduled | Budgeted Cost of Work Performed | Actual Cost of Work Performed | Schedule Variance (\$) | Schedule Variance (%) | Cost Variance (\$) | Cost Variance (%) | Budget at Completion (BAC) |
|---|--|--|--|------------------------------|-----------------------------|--------------------------|-------------------------|----------------------------------|
| Indirect WBS 000 Total | 130.6 | 130.4 | 110.6 | (0.2) | -0.2 | 19.8 | 15.2 | 949.1 |
| Communications and Outreach | 2.6 | 2.6 | 2.5 | | | | | 14.8 |
| Safety, Health, Security and Quality | 22.9 | 22.7 | 18.6 | | | | | 105.0 |
| Environmental Program and Strategic Planning | 6.5 | 6.5 | 5.3 | | | | | 34.7 |
| Business Services and Project Controls | 90.6 | 90.6 | 78.2 | | | | | 758.7 |
| Engineering, Projects and Construction | 7.9 | 7.9 | 5.9 | | | | | 35.9 |
| | | | | | | | | |
| <u>PBS Allocations (RL-0XX.99) Total</u> | 137.0 | 137.0 | 110.6 | 0.0 | 0.0 | 26.5 | 19.3 | 949.2 |
| Base Total | 85.4 | 85.4 | 77.3 | | | | | 793.2 |
| RL-11 | 13.6 | 13.6 | 13.5 | | | | | 47.5 |
| RL-12 | 14.4 | 14.4 | 13.5 | | | | | 85.4 |
| RL-13 | 25.9 | 25.9 | 22.9 | | | | | 260.5 |
| RL-30 | 23.1 | 23.1 | 20.7 | | | | | 180.9 |
| RL-40 | 5.3 | 5.3 | 4.1 | | | | | 157.5 |
| RL-41 | 1.8 | 1.8 | 1.6 | | | | | 57.3 |
| RL-42 | 1.3 | 1.3 | 1.2 | | | | | 4.0 |
| ARRA Total | 51.6 | 51.6 | 33.4 | | | | | 156.0 |
| RL-11 | 13.4 | 13.4 | 9.2 | | | | | 40.0 |
| RL-13 | 9.4 | 9.4 | 8.1 | | | | | 37.5 |
| RL-30 | 4.8 | 4.8 | 3.0 | | | | | 13.4 |
| RL-40 | 14.1 | 14.1 | 8.4 | | | | | 37.2 |
| RL-41 | 9.9 | 9.9 | 4.5 | | | | | 27.8 |

Numbers are rounded to the nearest \$0.1M.

Indirect WBS 000**CTD Schedule Performance: (-\$0.2M/-0.2%)**

The negative schedule variance is within threshold.

CTD Cost Performance: (+\$19.8M/+15.2%)

The positive variance for PRC G&A and DD activities resulted from lower than expected FY 2009 G&A costs due company level and Other Hanford Contractor Pass-back, lower Other Provided Services to PRC from the MSA assessments, coupled with a lag in hiring overhead staff required to support the ARRA program increases during FY 2009 (+\$17.2M). FY 2010 positive cost variance of +\$2.6 M is mostly attributed to higher than planned receipt of G&A from the projects with costs for GPP and CENRTC being processed sooner than scheduled (+\$0.7M); actual lower cost for the Retiree Insurance Program through January 2010 (+\$0.4); and miscellaneous changes within threshold (+\$0.8M).

The variance in each PBS may be higher or lower than the composite variance as a result of the PRC accounting practice of distributing cost based on the Project's actual cost instead of the accounting practice of planning the BCWS distribution based on the Project's BCWS by each PBS.

Critical Path Schedule

N/A – Level of Effort.

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

Level of Effort.

CTD Cost Performance: (+\$26.5M/+19.3%)

A positive variance for PRC G&A and DD activities distributed by weighted percentage to the Base and ARRA PBSs resulted from lower than expected FY 2009 G&A costs due company level and Other Hanford Pass-back, lower Other Provided Services to PRC from the MSA assessments, coupled with a lag in hiring overhead staff required to support the ARRA program increases during FY 2009 (+\$17.2M). FY 2010 positive cost variance is attributed to the same variance included in the WBS 000 Indirect Section (+\$2.6M) and an error in a point adjustment for implementation of BCR-PRC-10-011 "PRC Baseline Revision 2" that was inconsistent with the G&A and DD monthly phasing (+\$6.5M)

Variance in each PBS may be higher or lower than the composite variance as a result of the PRC accounting practice of distributing cost based on the Project's actual cost instead of the accounting practice of planning the BCWS distribution based on the Project's BCWS by each PBS.

Critical Path Schedule

N/A - Level of Effort.

Estimate at Completion (EAC)

The BAC and EAC now include FY 2009 through FY 2018, the PRC contract period. The variance between the EAC and the BAC reflects the impact of slower than planned staffing ramp-up for support to the ARRA workload coupled with efficiencies in current workloads.

Baseline Change Requests

See Overview.

FY 2010 FUNDS vs. Fiscal Year Spend Forecast (\$M)

| WBS 000 Project Services and Support | FY 2010 | | Variance |
|--|----------------------|--------------|------------|
| | Projected Funding | FYSF | |
| ARRA | 64.4 | 60.8 | 3.6 |
| Base | <u>51.1</u> | <u>50.5</u> | <u>0.6</u> |
| Total | 115.5 | 111.3 | 4.2 |
| Numbers are rounded to the nearest \$0.1M. | | | |
| Communications and Outreach | 2.7 | 2.6 | |
| Safety, Health, Security and Quality | 21.4 | 19.1 | |
| Environmental Program and Strategic Planning | 5.1 | 4.8 | |
| Business Services and Project Controls | 79.7 | 78.3 | |
| Engineering, Projects and Construction | 6.5 | 6.5 | |
| <u>PBS Allocations</u> <u>(RL-0XX.99) Total</u> | | | |
| Base Total | 51.1 | 50.5 | 0.6 |
| RL-11 | 6.9 | 7.0 | |
| RL-12 | 9.7 | 9.7 | |
| RL-13 | 11.6 | 12.1 | |
| RL-30 | 17.8 | 16.9 | |
| RL-40 | 2.9 | 2.7 | |
| RL-41 | 1.9 | 1.9 | |
| RL-42 | 0.2 | 0.2 | |
| ARRA Total | 64.4 | 60.8 | 3.6 |
| RL-11 | 13.4 | 13.0 | |
| RL-13 | 16.0 | 15.6 | |
| RL-30 | 8.0 | 7.4 | |
| RL-40 | 14.5 | 13.7 | |
| RL-41 | 12.4 | 11.1 | |

Funds Analysis

FY 2010 New Budget Authority consistent with the PRC baseline is \$113.4M. No funding adjustments were made this month and the funding is consistent with implementation of BCR-PRC-10-011 "PRC Baseline R2". There were onetime FY 2009 activities at \$2.1M carried over to FY 2010 funding for a total of \$115.5M.

MAJOR ISSUES

None identified.

MILESTONE STATUS

None identified.

SELF-PERFORMED WORK

The Section H.20 clause entitled, "Self-Performed Work," is addressed in the Monthly Report Overview.

GOVERNMENT FURNISHED SERVICES AND INFORMATION (GFS/I)

None identified.