

# Appendix A

## Contract Performance Reports

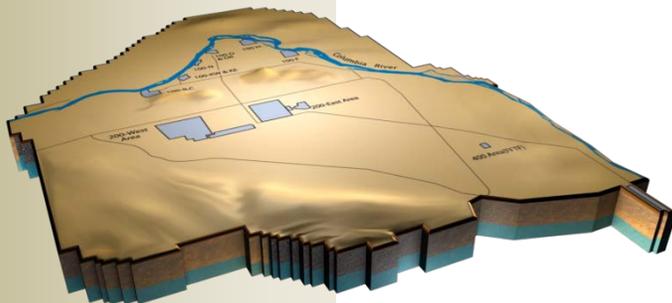
Format 1 - Work Breakdown Structure

Format 2 - Organizational Categories

Format 3 - Baseline

Format 4 - Staffing

Format 5 - Explanation and Problem Analysis



FORMAT 1, DD FORM 2734/1, WORK BREAKDOWN STRUCTURE

CONTRACT PERFORMANCE REPORT FORMAT 1 - WORK BREAKDOWN STRUCTURE													CLASSIFICATION (When Filled In)			FORM APPROVED OMB No. 0704-0188						
1. CONTRACTOR										2. CONTRACT			3. PROGRAM			4. REPORT PERIOD						
a. NAME CH2M HILL Plateau Remediation Company										a. NAME Plateau Remediation Contract			a. NAME Plateau Remediation Contract			a. FROM (YYYYMMDD) 2011 / 04 / 25						
b. LOCATION (Address and ZIP Code) Richland, WA										b. NUMBER RL14788			b. PHASE			b. TO (YYYYMMDD) 2011 / 05 / 22						
										c. TYPE CPAF			d. SHARE RATIO			c. EVMS ACCEPTANCE NO YES X 9/18/2009						
5. CONTRACT DATA																						
a. QUANTITY			b. NEGOTIATED COST 5,115,768		c. ESTIMATED COST OF AUTHORIZED UNPRICED WORK 1,271,106		d. TARGET PROFIT/ FEE 247,344		e. TARGET PRICE 5,363,112		f. ESTIMATED PRICE 6,634,217		g. CONTRACT CEILING 5,363,112		h. ESTIMATED CONTRACT CEILING 6,634,217		i. DATE OF OTB/OTS					
6. ESTIMATED COST AT COMPLETION													7. AUTHORIZED CONTRACTOR REPRESENTATIVE									
			MANAGEMENT ESTIMATE AT COMPLETION (1)		CONTRACT BUDGET BASE (2)		VARIANCE (3)		a. NAME (Last, First, Middle Initial) Bang, M.V.					b. TITLE Prime Contract Manager								
a. BEST CASE			6,166,928						c. SIGNATURE					d. DATE SIGNED (YYYYMMDD)								
b. WORST CASE			6,509,601																			
c. MOST LIKELY			6,390,432		6,509,601		119,169															
8. PERFORMANCE DATA																						
WBS[1]		CURRENT PERIOD						CUMULATIVE TO DATE				REPROGRAMMING ADJUSTMENTS			AT COMPLETION							
		BUDGETED COST		ACTUAL COST		VARIANCE		BUDGETED COST		ACTUAL COST		VARIANCE										
ITEM (1)		WORK SCHEDULED (2)	WORK PERFORMED (3)	WORK PERFORMED (4)	SCHEDULE (5)	COST (6)	WORK SCHEDULED (7)	WORK PERFORMED (8)	WORK PERFORMED (9)	SCHEDULE (10)	COST (11)	COST VARIANCE (12a)	SCHEDULE VARIANCE (12b)	BUDGET (13)	BUDGETED (14)	ESTIMATED (15)	VARIANCE (16)					
011 RL-11 NM Stabilization and Disposition PFP		13,202	10,619	13,427	(2,584)	(2,809)	368,067	361,720	363,592	(6,347)	(1,872)	0	0	0	637,059	653,973	(16,914)					
012 RL-12 SNF Stabilization and Disposition		5,043	5,045	6,064	2	(1,018)	220,287	215,506	223,890	(4,781)	(8,383)	0	0	0	580,431	590,277	(9,846)					
013 RL-13 Solid Waste Stabilization & Disposition		16,083	16,753	18,214	670	(1,461)	522,299	514,821	525,390	(7,478)	(10,569)	0	0	0	1,921,653	1,871,588	50,065					
030 RL-30 Soil & Wtr Remediatn Grndwtr/Vadose Zone		27,879	32,650	29,340	4,771	3,309	567,592	574,697	581,882	7,104	(7,186)	0	0	0	1,550,505	1,492,372	58,133					
040 RL-40 Nuclear Facility D&D Remainder of Hanford		10,745	10,207	11,060	(538)	(853)	309,647	300,714	274,211	(8,933)	26,503	0	0	0	1,056,054	1,015,828	40,226					
041 RL-41 Nuclear Facility D&D - River Corridor		11,746	7,463	6,786	(4,283)	678	222,584	213,261	210,901	(9,323)	2,360	0	0	0	515,032	518,637	(3,605)					
042 RL-42 FFFF Closure		130	130	98	0	32	11,146	11,146	10,112	0	1,034	0	0	0	25,364	24,253	1,111					
b. Cost of Money		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0					
c. Gen. and Admin.		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0					
d. Undist. Budget																						
e. Sub Total		<b>84,829</b>	<b>82,866</b>	<b>84,989</b>	<b>(1,962)</b>	<b>(2,122)</b>	<b>2,221,623</b>	<b>2,191,865</b>	<b>2,189,978</b>	<b>(29,758)</b>	<b>1,887</b>	0	0	0	<b>6,286,097</b>	<b>6,166,928</b>	<b>119,169</b>					
f. Management Reserve															223,504							
g. Total		<b>84,829</b>	<b>82,866</b>	<b>84,989</b>	<b>(1,962)</b>	<b>(2,122)</b>	<b>2,221,623</b>	<b>2,191,865</b>	<b>2,189,978</b>	<b>(29,758)</b>	<b>1,887</b>	0	0	0	<b>6,509,601</b>							
9. Reconciliation to CBB																						
a. Variance Adjustment																						
b. Total Contract Variance																						



FORMAT 3, DD FORM 2734/3, BASELINE

CONTRACT PERFORMANCE REPORT FORMAT 3 - BASELINE											DOLLARS IN THOUSANDS				Form Approved OMB No. 0704-0188	
1. CONTRACTOR CH2M HILL Plateau Remediation Company			2. CONTRACT a. NAME: Plateau Remediation Contract b. NUMBER: RL14788 c. TYPE: CPAF d. SHARE RATIO:				3. PROGRAM a. NAME: Plateau Remediation Contract b. PHASE c. EVMS ACCEPTANCE NO YES X 9/18/2009				4. REPORT PERIOD a. FROM: 2011/4/25 b. TO: 2011/5/22					
5. CONTRACT DATA			a. ORIGINAL NEGOTIATED COST 4,312,366		b. NEGOTIATED CONTRACT CHANGE \$803,402		c. CURRENT NEGOTIATED COST (A + B) \$5,115,768		d. ESTIMATED COST AUTH UNPRICED WORK 1,271,106		e. CONTRACT BUDGET BASE (C + D) \$6,386,874		f. TOTAL ALLOCATED BUDGET \$6,386,874		g. DIFFERENCE (E - F) \$0	
h. CONTRACT START DATE 6/19/2008			i. DEFINITIZATION DATE 6/19/2008		j. PLANNED COMPL DATE 9/30/2018		k. CONT COMPLETION DATE 9/30/2018		l. EST COMPLETION DATE 9/30/2018							
6. PERFORMANCE DATA			BUDGETED COST FOR WORK SCHEDULED (NON - CUMULATIVE)													
ITEM (1)	BCWS CUM TO DATE (2)	BCWS FOR REPORT PERIOD (3)	SIX MONTH FORECAST						FY09 (10)	FY10 (11)	FY11 (12)	FY12 (13)	OUT YEARS (14)	UNDISTRIB BUDGET (15)	TOTAL BUDGET (16)	
			+1 Jun-11 (4)	+2 Jul-11 (5)	+3 Aug-11 (6)	+4 Sep-11 (7)	+5 Oct-11 (8)	+6 Nov-11 (9)								
a. PM BASELINE (BEGIN OF PERIOD)	2,222,130	85,336	97,417	78,475	79,752	151,447	38,839	50,972	653,426	960,017	1,015,778	709,121	2,940,301	0	6,278,643	
b. BASELINE CHANGES AUTH DURING REPORT PERIOD BCR-030-11-013R0 Deferral of STOMP Modeling & Aquifer Tube Data Evaluation BCR-041-11-003R0 Correction to Earned Value Method on 100-K-64 Waste Site Activity BCR-PRC-11-034R0 FFTF and REDOX Roof Repairs BCR-R30-11-004R0 200W Pump & Treat Scope Addition BCR-RCH-11-001R0 Remove FY 2011 Budget for 222-S Laboratory Support BCRA-PRC-11-035R0 General Administrative Changes for May 2011											(275)	0	275		(0)	
											0	0	0		0	
											738	0	0		738	
											8,991	0	0		8,991	
											(2,275)	0	0		(2,275)	
											0	0	0		0	
c. PM BASELINE (END OF PERIOD)	2,221,623.1		99,684	80,466	81,866	152,762	59,147	50,972	653,426	960,017	1,022,957	709,121	2,940,575	0	6,286,097	
7. MANAGEMENT RESERVE															223,504	
8. TOTAL															6,509,601	

CLASSIFICATION (When Filled In)

CONTRACT PERFORMANCE REPORT												FORM APPROVED	
FORMAT 4 - STAFFING												OMB No. 0704-0188	
1. CONTRACTOR			2. CONTRACT				3. PROGRAM			4. REPORT PERIOD			
a. NAME CH2M HILL Plateau Remediation Company			a. NAME Plateau Remediation Contract				a. NAME Plateau Remediation Contract			a. FROM (YYYYMMDD) 2011 / 04 / 25			
b. LOCATION (Address and ZIP Code) Richland, WA			b. NUMBER RL14788				b. PHASE			b. TO (YYYYMMDD) 2011 / 05 / 22			
			c. TYPE CPAF		d. SHARE RATIO		c. EVMS ACCEPTANCE NO 9/18/2009						
5. PERFORMANCE DATA (All figures in whole numbers of equivalent month. One equivalent month equals on person working one month)													
FOC Group by FOC	ACTUAL CURRENT PERIOD	ACTUAL END OF CURRENT PERIOD (Cumulative)	FORECAST (Non-Cumulative)										AT COMPLETION
			SIX MONTH FORECAST						SPECIFIED PERIODS				
			+1 June	+2 July	+3 Aug	+4 Sep	+5 Oct	+6 Nov	REM FY12	FY13	FY14-18		
ITEM (1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(11)	(12)	(13)	(15)	
<b>30B - WBS 98 PSD Distribution</b>													
011.A1 - Project Specific Distributables	0	1	0	0	0	0	0	0	0	0	0	0	1
013.A1 - Project Specific Distributables	0	0	0	0	0	0	0	0	0	0	0	0	0
030.A1 - Project Specific Distributables	0	0	0	0	0	0	0	0	0	0	0	0	0
040.A1 - Project Specific Distributables	0	0	0	0	0	0	0	0	0	0	0	0	0
	<b>0</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>
<b>31 - Communications &amp; Outreach</b>													
000.1 - Communications & Outreach	16	389	16	16	16	17	0	8	93	81	22		656
	<b>16</b>	<b>389</b>	<b>16</b>	<b>16</b>	<b>16</b>	<b>17</b>	<b>0</b>	<b>8</b>	<b>93</b>	<b>81</b>	<b>22</b>		<b>656</b>
<b>32 - Safety, Health, Security &amp; Quality</b>													
000.2 - Safety, Health, Security/Quality	132	3,211	140	140	138	138	0	63	694	599	162		5,287
	<b>132</b>	<b>3,211</b>	<b>140</b>	<b>140</b>	<b>138</b>	<b>138</b>	<b>0</b>	<b>63</b>	<b>694</b>	<b>599</b>	<b>162</b>		<b>5,287</b>
<b>34 - Environmental Prog &amp; Regulatory Mgmt</b>													
000.4 - Environmental Prog & Regl Mgt	22	667	24	24	24	24	0	17	188	163	44		1,175
030.2 - Envr Prog & Regl Mgt	33	1,098	38	41	40	39	0	38	372	287	84		2,036
	<b>55</b>	<b>1,764</b>	<b>62</b>	<b>65</b>	<b>64</b>	<b>63</b>	<b>0</b>	<b>55</b>	<b>560</b>	<b>450</b>	<b>128</b>		<b>3,211</b>
<b>35 - Business Services</b>													
000.6A - Expense PSD	3	1,286	2	1	1	1	0	0	0	0	0		1,290
000.8 - Chief Financial Officer	124	3,642	127	127	127	128	0	87	961	862	245		6,307
000.9 - Chief Information Officer	0	1	0	0	0	0	0	0	0	0	0		1
011.9T - Ramp Up/Transition - Training	0	15	0	0	0	0	0	0	0	0	0		15
013.9F - Ramp Up/Transition - Fac	0	1	0	0	0	0	0	0	0	0	0		1
013.9T - Ramp Up/Transition - Training	0	11	0	0	0	0	0	0	0	0	0		11
030.9F - Ramp Up/Transition - Fac	1	267	1	1	1	1	0	0	0	0	0		271
030.9T - Ramp Up/Transition - Training	0	7	0	0	0	0	0	0	0	0	0		7
040.9F - Ramp Up/Transition - Fac	0	2	0	0	0	0	0	0	0	0	0		2
040.9T - Ramp Up/Transition - Training	0	18	0	0	0	0	0	0	0	0	0		18
041.9F - Ramp Up/Transition - Fac	0	1	0	0	0	0	0	0	0	0	0		1
041.9T - Ramp Up/Transition - Training	0	13	0	0	0	0	0	0	0	0	0		13
	<b>128</b>	<b>5,263</b>	<b>130</b>	<b>129</b>	<b>129</b>	<b>130</b>	<b>0</b>	<b>87</b>	<b>961</b>	<b>862</b>	<b>245</b>		<b>7,937</b>
<b>36 - Prime Contract &amp; Project Integration</b>													
000.7 - Contract and Baseline Management	45	1,234	46	48	48	48	0	26	285	248	67		2,051
	<b>45</b>	<b>1,234</b>	<b>46</b>	<b>48</b>	<b>48</b>	<b>48</b>	<b>0</b>	<b>26</b>	<b>285</b>	<b>248</b>	<b>67</b>		<b>2,051</b>
<b>39 - PS&amp;S G&amp;A Adder Offset</b>													
000.5B - PS&S G&A Adder Offset	0	0	0	0	0	0	0	0	0	0	0		0
	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>0</b>
<b>3A - 100K Area Project &amp; BOS D&amp;D</b>													
012.1 - 100 K Area Project	118	4,566	126	123	141	143	0	120	1,288	1,380	183		8,069
012.2 - Sludge Treatment Project	143	3,556	136	134	125	140	0	119	1,342	637	31		6,220
040.1 - PRC D&D	302	7,774	291	277	254	235	0	197	2,254	2,527	521		14,331
041.1 - River Zone	171	4,262	177	164	160	150	0	139	374	422	100		5,949
042.1 - FFTF	5	542	5	6	7	6	0	7	76	83	34		766
	<b>739</b>	<b>20,700</b>	<b>736</b>	<b>703</b>	<b>687</b>	<b>674</b>	<b>0</b>	<b>582</b>	<b>5,335</b>	<b>5,049</b>	<b>868</b>		<b>35,336</b>
<b>3B - PFP Closure</b>													
011.1 - Plutonium Finishing Plant	719	18,742	733	715	707	710	0	869	8,009	2,867	1		33,352
	<b>719</b>	<b>18,742</b>	<b>733</b>	<b>715</b>	<b>707</b>	<b>710</b>	<b>0</b>	<b>869</b>	<b>8,009</b>	<b>2,867</b>	<b>1</b>		<b>33,352</b>
<b>3C - Waste &amp; Fuels Management Project</b>													
013.1 - Waste Management	841	24,194	837	867	859	830	0	688	7,612	6,588	2,495		44,971
013.3 - Solid Waste Variable	27	435	25	25	24	24	0	65	711	99	22		1,430
	<b>868</b>	<b>24,629</b>	<b>862</b>	<b>892</b>	<b>884</b>	<b>854</b>	<b>0</b>	<b>752</b>	<b>8,323</b>	<b>6,688</b>	<b>2,517</b>		<b>46,401</b>
<b>3D - Soil &amp; Groundwater Remediation</b>													
030.1 - Soil & GW Remediation	396	11,452	383	399	381	359	0	459	5,061	4,327	1,453		24,274
040.2 - D&D Fac Waste Site Remediation	55	1,184	66	59	44	45	0	48	1,064	1,046	331		3,888
041.3 - Waste Sites	40	813	53	47	43	44	0	19	186	209	104		1,519
	<b>491</b>	<b>13,450</b>	<b>502</b>	<b>505</b>	<b>468</b>	<b>448</b>	<b>0</b>	<b>526</b>	<b>6,312</b>	<b>5,582</b>	<b>1,888</b>		<b>29,680</b>
<b>3F - Engineering, Procurement &amp; Construction Project</b>													
000.F - Eng/Procurement & Construction	45	847	47	47	47	47	0	18	195	169	46		1,464
030.3 - EPC - Groundwater	145	2,126	141	194	164	108	0	21	72	245	15		3,086
	<b>191</b>	<b>2,973</b>	<b>188</b>	<b>241</b>	<b>211</b>	<b>155</b>	<b>0</b>	<b>39</b>	<b>267</b>	<b>414</b>	<b>61</b>		<b>4,550</b>
<b>Grand Totals:</b>													
	<b>3,385</b>	<b>92,358</b>	<b>3,415</b>	<b>3,454</b>	<b>3,352</b>	<b>3,237</b>	<b>0</b>	<b>3,008</b>	<b>30,840</b>	<b>22,838</b>	<b>5,959</b>		<b>168,462</b>

**FORMAT 5, DD FORM 2734/5, EXPLANATION AND PROBLEM ANALYSIS**

CLASSIFICATION (When Filled In)									
CONTRACT PERFORMANCE REPORT FORMAT 5 - EXPLANATIONS AND PROBLEM ANALYSES							FORM APPROVED OMB No. 0704-0188		
<b>1. CONTRACTOR</b>		<b>2. CONTRACT</b>			<b>3. PROGRAM</b>			<b>4. REPORT PERIOD</b>	
<b>a. NAME</b> CH2M HILL Plateau Remediation Company		<b>a. NAME</b> Plateau Remediation Contract			<b>a. NAME</b> Plateau Remediation Contract			<b>a. FROM (YYYY/MM/DD)</b>  2011/4/25	
<b>b. LOCATION (Address and ZIP Code)</b>  Richland, WA 99354		<b>b. NUMBER</b> RL		<b>b. PHASE</b> Base and ARRA			<b>b. TO (YYYY/MM/DD)</b>  2011/5/28		
		<b>c. TYPE</b> CPAF	<b>d. SHARE RATIO</b>		<b>c. EVMS ACCEPTANCE</b> 2009/09/18 NO YES X				
	<b>BCWS</b>	<b>BCWP</b>	<b>ACWP</b>	<b>SV in \$</b>	<b>SV in %</b>	<b>CV in \$</b>	<b>CV %</b>	<b>SPI</b>	<b>CPI</b>
Current:	84,829	82,866	84,989	(1,962)	-2.3%	(2,122)	-2.6%	0.98	0.98
Cumulative:	2,221,623	2,191,865	2,189,978	(29,758)	-1.3%	1,887	0.1%	0.99	1.00
	<b>BAC</b>	<b>EAC</b>	<b>VAC in \$</b>	<b>VAC in %</b>	<b>CPI to BAC</b>	<b>CPI to EAC</b>			
At Complete:	6,286,097	6,166,928	119,169	1.9%	1.0	1.0			
<b>Explanation of Variance/Description of Problem:</b>									
<p><b>Current Period Schedule Variance:</b> An unfavorable current period schedule variance occurs in RL-11 (-\$2.5M), RL-40 (-\$.6M) and RL-41 (-\$.4.3M) partially offset by a favorable variance in RL-13 (+\$.7M) and RL-30 (+\$.4.8M). RL-11 unfavorable variance is a result of delays in completing D&amp;D of 234-5Z process and lab areas, which has been impacted by work package development delays, resource demand for electrical isolations, and more complex glovebox removal. In addition, since resources are focused on higher priority KPP work, other planned D&amp;D work has been deferred. RL-30 favorable variance is primarily due to ZP-1 P&amp;T construction being ahead of schedule. RL-41 unfavorable variance resulted from the 100-K Group 1 Remediation ahead of schedule performance taken in prior months on numerous sites and 100-K Group 3 structures remediation being placed on hold due to Utilities Upgrades not being completed. RL-12, RL-13, RL-40 and RL-42 variances are within reporting thresholds.</p> <p><b>Current Period Cost Variance:</b> An unfavorable current period cost variance occurs in the Direct Projects. The notable unfavorable cost variances occur in: PBSs RL-11 (-\$2.8M), the unfavorable variance is primarily a result of inefficiencies associated with 234-5Z process area D&amp;D, more complex glovebox removal in Labs, additional resources required to bring the Z/ZB complex to a Cold and Dark status, and higher use of MSA brokered craft to support D&amp;D. Also contributing to the variance is the continued surveillance/monitoring and maintenance of vital systems required to support D&amp;D (which were originally planned to be deactivated) and additional resources and overtime used to complete pencil tank size reduction activities in PRF; RL-12 (-\$1.0M) driven by the SNF Containerized Sludge Design where work for acceleration of the modification to the existing Annex was initiated, but without BCWS; RL-13 (-\$1.5M) due to Increased assessments above plan, increased resources required for support of Transportation and Packaging activities, Kelly Klosure materials received but not installed, receipt of rotor for Thin Film Dryer Vessel caused a higher fluctuation in the level loaded costs, increased subcontractor costs for WESF Roof Upgrades and WRAP HEPA Filter waste disposal costs above plan.; and RL-40 (-\$.8M) primarily in U Plant Zone D&amp;D due to mobilization and startup costs for the U Canyon grouting contractor as well as additional core drills and in the 209E Stimulut-Semi Works Zone due to higher than planned costs associated with the inventory reduction activities and the costs resulting from shroud redesign and pipefitter qualifications. The notable favorable cost variances occur in: RL-30 (+\$3.3M) primarily due to ZP-1 Pump-and-Treat updating performance for construction material procurements costed in previous periods and RL-41 (+\$.7M) where performance was taken in May for 100K General Site Cleanup that had been completed in prior months but no performance had been taken and other numerous insignificant positive and negative variances. RL-42 favorable variance is within reporting thresholds.</p> <p><b>Cumulative Schedule Variance: All PBSs are within variance thresholds.</b> The unfavorable cumulative schedule variance, (-\$29.8M), occurs in the Direct Projects with all PBSs behind schedule, except RL-30 (slightly ahead of schedule) and RL-42 (on schedule). For the Direct Projects, the following cumulative unfavorable schedule variances are noted: for PBS RL-11 (-\$.6.3M) due to work complexity of glove box removal (primarily in D&amp;D of 234-5Z), contamination events, and additional respiratory protection requirement; for PBS RL-12 (-\$.4.8M) the primary unfavorable variance occurs in the design and sampling of Engineered Containerized sludge, the design and testing for the Knock Out Pot Processing system and procurement of the MCOs; for PBS RL-13 (-\$.7.5M) the primary unfavorable variance occurs in MLLW Treatment where shipment delays have occurred due to receiving facility's inability to accept extra-large sized waste shipments pending permit/building modification (permits now obtained and modifications are scheduled) and delay in receipt of M-91-42 waste feed from TRU Retrieval, TRU Retrieval delays due to shipping authorization (now resolved) and adverse weather conditions, coupled with delayed close-out of Trench Face Processing System (TFPS) procurement due to on-going negotiations with vendor, delayed TRUPACT II shipping due to lack of WIPP conveyances and transportation equipment issues; for PBS RL-40 (-\$.8.9M) the primary unfavorable variance is due to delays in 200-E Admin Zone Facilities going to cold and dark due to Bio-hazard and Radiological contamination issues that took longer than planned to resolve thereby delaying asbestos abatement work at the 284E Powerhouse, delays in grouting of the U-Plant Canyon cells due to contracting issues which have now been resolved., and where work has been intentionally delayed on lower priority waste sites and pipelines. For RL-41 (-\$.9.3M) the primary unfavorable variance resulted from the 100-K Group 1 Remediation ahead of schedule performance taken in prior months on numerous sites and 100-K Group 3 structures remediation being placed on hold due to Utilities Upgrades not being completed.</p>									

**FORMAT 5, DD FORM 2734/5, EXPLANATION AND PROBLEM ANALYSIS**

<p><b>Explanation of Variance/Description of Problem (Continued):</b></p>
<p><b>Cumulative Cost Variance:</b> All PBSs are within variance thresholds except for R-40 which has a favorable variance of 8.8%. The significant favorable cumulative cost variance, (+\$4.0M), occurs in three primary areas: (1) Unfavorable cost variances (-\$14.6M) in direct projects, except PBSs RL-40, and RL-42; (2) Favorable G&amp;A/DD distribution variances (+\$24.5M) resulting from lower than expected G&amp;A costs due to company level and Other Hanford Pass-back, lower assessments from MSA for Other Provided Services to PRC and a labor under run in project support staff related to ARRA ramp-up; and, (3) Unfavorable PSD Distribution (-\$8.0M) due to the increased cost of establishing the ARRA Mobile office complex and distribution of the CHPRC Rewards and Recognition Program which did not have BCWS. For the specifics on the favorable variances in Direct Projects see Sections A through G of this Monthly Report. For specifics on favorable variances in G&amp;A and Direct Distributables see Appendix C.</p>
<p><b>Impact:</b></p>
<p><b>Current Period Schedule:</b> For PBS RL-11 the primary impact is in D&amp;D of process and lab areas and getting Z/ZB Complex ready for demolition. DOE and CHPRC jointly decided to extend the September 30, 2011, KPP completion date to December 31, 2011. For PBS RL-40 the primary impacts occur in U-Plant D&amp;D activities. For PBS RL-13 the primary impact is the delay in receipt of M-91-42 waste feed from TRU Retrieval. For PBSs RL-40 and RL-41, current period schedule impacts are the same as the CTD schedule impacts (see below). For PBS RL-12 KOP design and pretreatment activities are nearly recovered to meet the window of opportunity to sort and separate the KOP sludge in the KW Basin prior to shipment of Fuel MCOs. For PBS RL-30 the primary favorable impacts occur on the Construction Complex construction activities. For RL30 there is no impact associated with the current month positive schedule variance. For PBS RL-13 there is no current impact.</p>
<p><b>Current Period Cost:</b> For RL-12, the cost incurred for the Annex design subcontractor inception to date was authorized by CHPRC contracts. In addition, the project also initiated modifications to the existing 100K W Annex facility in preparation for the follow-on construction work. Once the BCRs are processed, this will correct the most of the one-month variance. For PBS RL-11 the current period cost impact is reflected in the variance at completion, which is further discussed in the CTD explanation below. For PBS RL-13 cost impact is in overruns for Trench Face Retrieval and Characterization System (TRFCS) site prep and start up work and increased labor costs for TRU Retrieval recovery. For PBS RL-40, U-Ancillary project is using more resources than planned to recover schedule, at 212 N/P/R, more demolition debris than planned was disposed of at ERDF resulting in higher than anticipated disposal costs. Both are offset by efficiencies in other areas and no long-term impact is expected. Also, regulatory review delays have increased costs. For PBS RL-41 minimal impact is expected due to the overall positive variance.</p>
<p><b>CTD Schedule:</b> For PBS RL-30 no major project completion impacts are expected at this time. For PBS RL-40 finalizing the grouting contract for U-Canyon; delays with 200E Admin Buildings; delays with turnover of ALE facilities; evaluation of site priorities; and extensive regulatory reviews (realized risk) are delaying waste site remediation completion. For RL-41, 100K Utilities Reroute delays have delayed structure demolition and waste site remediation. Additional soil contamination (realized risk) has impacted the schedule. For PBS RL-13, MLLW shipment delays due to receiving facility's inability to accept extra-large sized waste shipments pending permit/building modifications, and delay in receipt of feed from TRU Retrieval. T-Plant Repack impacted by need to vent drums with 90 mil liners, TRU Retrieval delays due to container shipping authorization, cancellation of remote controlled unit (robot) procurement and delayed closeout of Trench ace Processing System (TFPS) procurement. For PBS RL-11 focusing D&amp;D field work teams on achieving the September 30, 2011, Key Performance Parameter (KPP) has impacted other work. Even though there is a seven-month impact to PRF and 242-Z D&amp;D completion, the TPA Milestone M-083-43, Complete Transition Of The 242-Z Waste Treatment Facility and 236-Z Plutonium Reclamation Facility To Support PFP Decommissioning, is forecast to be completed by its 9/30/2013 due date. The schedule for completing remaining scope will be impacted by lower-than-expected out-year funding. For PBS RL-12 there is no CTD impact to the STP Project critical path. The subcontracts have been awarded for the Annex design and the existing annex modification and the work will be completed in time to support contract deliverables.</p>
<p><b>CTD Cost:</b> For all PBSs, except RL-12, there is an overall positive cost impact due to project efficiencies. However, negative cost variances are increasing for waste site remediation due to additional soil contamination removal (realized risk). There is no impact to cost for all other PBSs, except PBS RL-12, which had increased costs due to greater contamination removal required on the KE Basin Substructure (now complete) and in KW Operations due to increased staffing in FY2009, both of which are costs that will not recover further. The PBS RL-30 cost overruns are being managed and actions are being taken to funds manage cost over-runs and under-runs. For RL-11 an unfavorable variance at completion is forecast, due to realized risk, schedule delays, and corrective actions being undertaken to regain schedule, which include increased overtime, additional shifts, and extended resources/teams. The cost impact of extending the ARRA KPP for glovebox removal to December 31, 2011, and extending D&amp;D of 236-Z and 242-Z into FY13, due to teams re-assigned to support priority RMA/RMC KPP glovebox removal, is reflected in the spend forecast and contributes to the unfavorable variance at completion.</p>
<p><b>Corrective Action:</b></p>
<p><b>Current Period Schedule:</b> For PBS RL-11 on May 31, 2011, Nuclear Safety implemented the RL-approved Justification for Continued Operation to address the 242Z Leak Path Factor/periphery confinement barrier issues. Based on DOE and CHPRC joint decision, the September 30, 2011, glovebox Key Performance Parameter (KPP) was extended to December 31, 2011, and will be addressed in BCR-R11-11-003R0 "PFP Recovery Act Goal Change." For PBS RL-12, the KOP processing equipment is near completely fabricated, it just wasn't delivered due to the re-work of the pretreatment material. The project expects delivery of the majority of the equipment in the April/May timeframe to allow for the fuel MCOs to be processed this year. For PBSs RL-40 and RL-41 the current period schedule corrective actions are the same as CTD schedule corrective actions (see below). For PBS RL30 no corrective actions are required. For PBS RL-13 no corrective action required.</p>
<p><b>Current Period Cost:</b> For PBS RL-40 and RL-41 D&amp;D, current cost variances are covered by efficiencies in other D&amp;D areas. O-Zone Waste Site remediation current cost variances are favorable; no corrective action required. Cost overruns are being managed and actions are being taken to funds manage cost overruns and under-runs. No cost corrective actions are required for PBS RL-13. For RL12, STP will work with the CHPRC change management organization and process the required change requests. For RL-11, the cost associated with the extended KPP completion date will be addressed in BCR-R11-11-003R0.</p>
<p><b>CTD Schedule:</b> For PBS RL-30 no corrective action required. For PBS RL-40 insulators and other resources from other projects are being re-assigned to help recover schedule; additional management attention is focused on grouting contract for U-Canyon finalization and 209E project execution. For PBS RL-40 waste sites, informal agreement has been achieved on site priorities, which is expected to be formalized and efforts continue to reduce the timeline for regulatory reviews. PBS RL-41 has implemented a BCR to address additional soil contamination (realized risk). Schedule recovery actions are being explored to recover the D&amp;D structure demolition and waste site remediation schedule activities where they can to offset where other demolition and remediation activities have been delayed. PBS RL-11 the baseline 9/30/13 project completion date will be impacted by lower-than-expected out-year funding and will be addressed in an upcoming life-cycle BCR. For PBS RL-13 recovery plans are being implemented for the CH TRU Retrieval issues. For PBS RL-12, the ECRTS<sup>(2)</sup> Annex design and existing annex modification BCRs will allow for the</p>

**FORMAT 5, DD FORM 2734/5, EXPLANATION AND PROBLEM ANALYSIS**

taking of appropriate performance for the work completed CTD. Sampling and analysis work is recovering at the laboratory, and the KOP Pretreatment activities have installed the equipment, performed Construction Acceptance Testing and are proceeding into the Readiness activities.

**CTD Cost:** For PBS RL-40 no corrective actions are required at this time. For PBS RL-41 change requests and REAs are being prepared to address additional soil contamination efforts not priced in the original contract. No corrective actions are required for D&D. For PBS RL-13 no corrective action required. For PBS RL-30 no corrective action required. For PBS RL-12, no corrective actions are required as this is mostly FY2009 actuals in the project area and the allocations were FY10 distributions. Also, a cost transfer to PBS RL-41 K West Basin Debris removal was considered and deemed unnecessary. For PBS RL-11, efficiencies expected from use of Aspigel<sup>®</sup>, new containment approach, revised SCO process, and leaving equipment in place for removal during demolition are not expected to fully mitigate the increased staff/overtime required to mitigate schedule delays. The total impact to RL-11 is not recoverable; no further corrective actions are planned. For PBS RL-12, the ECRTS<sup>(2)</sup> Annex design and existing annex modification change requests will allow for the taking of appropriate performance for the work completed CTD.

**Monthly Summary** (to include technical causes of VARs, Impacts, and Corrective Action(s):

**The cumulative to date cost and schedule variances are within reporting thresholds except for R-40 which has a favorable Cost variance of 8.8%.** Overall, the current period schedule and cost variances are mixed between favorable and unfavorable performance and the cumulative to date schedule variance worsened while the favorable cost variance continued to decline. Variance by PBS follows: RL-11 PFP D&D work complexity of glove box removal and 234-5Z D&D preparations has impacts both monthly and cumulative to date schedule variances and the unfavorable cost variances will continue increase as recovery actions are taken to regain schedule; RL-12 Spent Nuclear Fuel reflects an small current period unfavorable cost variance that continues to be driven by the ECRTS<sup>(2)</sup> subproject where work was initiated, but without approval of the change requests for acceleration of the modification to the existing Annex thus also further degrading the cumulative variances; RL-13 Solid Waste Stabilization and Disposition favorable monthly schedule variance reflects a reversal of unfavorable trends by implementing recovery plans for TRU retrieval and utilization of alternative RH repackaging capabilities; RL-30 Soil & Water Remediation continues to reflect a favorable schedule variance and with the positive monthly cost variance reflects alignment of scope to planned work for the ZP-1 Pump-and-Treat project; RL-40 Nuclear Facilities D&D Remainder of Hanford current period variances reflects continuing scheduling issues such as delays in the 200 East Administrative Zone completion of the cold and dark activities due to Bio-hazard and radiological contamination issues that took longer than planned to resolve; RL-41 Nuclear Facilities D&D RC Closure Project unfavorable monthly and cumulative period schedule variances continue to be driven by 100-K Group 3 structures remediation being placed on hold due to Utilities Upgrades not being completed; and RL-42 FFTF continues to have no schedule variances and a favorable cost variance as it is being maintained in a cold and dry status. For the specifics on the corrective action plans in Direct Projects see Sections A through G of this Monthly Report.

**Contractually Required Cost, Schedule, EAC variance, Management Reserve Use**

**Variance in Performance BAC and EAC:** The variance at complete (VAC) between the BAC and EAC this month is a positive \$119.2 million and 1.9%. This variance is within threshold for the Project. Furthermore, the VACs at each project baseline summary (PBS) are also within the threshold limit. For information, the VAC threshold limit is +or- 5% and +or- \$15 million.

**Use of Management Reserve:** Management reserve was increased in the amount \$1.5 million in May 2011 as follows: (1)- \$.8 million use in Base project baseline summary (PBS) RL-0030 (\$.5M) and RL-0042 (\$.3M) for scope as documented in change request BCR-PRC-034R0 due to two realized risks, REDOX and FFTF Roof Repair; and (2) +\$1.7 million in ARRA PBS RL-0011 and +\$.6M in ARRA PBS RL-0040 was added to management reserves reflecting the removal of FY 2011 Budget for 222-S Laboratory Support since costs will never be applied to the CHPRC. Overall, management reserve in May 2011 is **increased** from \$222.0 million to \$223.5 million.

**Best/Worst/Most Likely Estimate:** The Best EAC is the EAC reported this month, which assumes all efficiencies gained contract-to-date will remain at completion with no use of management reserve. The most likely EAC is the EAC reported this month plus the to-go (available) management reserve, which assumes all efficiencies gained contract-to-date will remain at completion but all available management reserve is used (e.g., all identified risks realized). The worst EAC is the BAC reported this month plus the to-go (available) management reserve, which assumes all efficiencies gained contract-to-date will be eroded at completion and all available management reserve is used (e.g., all identified risks realized). The Best/Worst and Most Likely EAC values are documented in the Format 1 Report.

<b>Prepared by:</b> Schilling, Bert	<b>Date:</b> 6/28/11	<b>Approved by:</b>	<b>Date:</b>
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(1) = Trench Face Retrieval & Characterization System; (2) = Engineered Containers Retrieval and Transportation System; (3) PSD R&RP = Project Specific Distributables Rewards & Recognition Program; (4) DCAA = Defense Contract Audit Agency; (5) Powered Air Purifying Respirator; (6) Maintenance and Storage Facility (MASF)