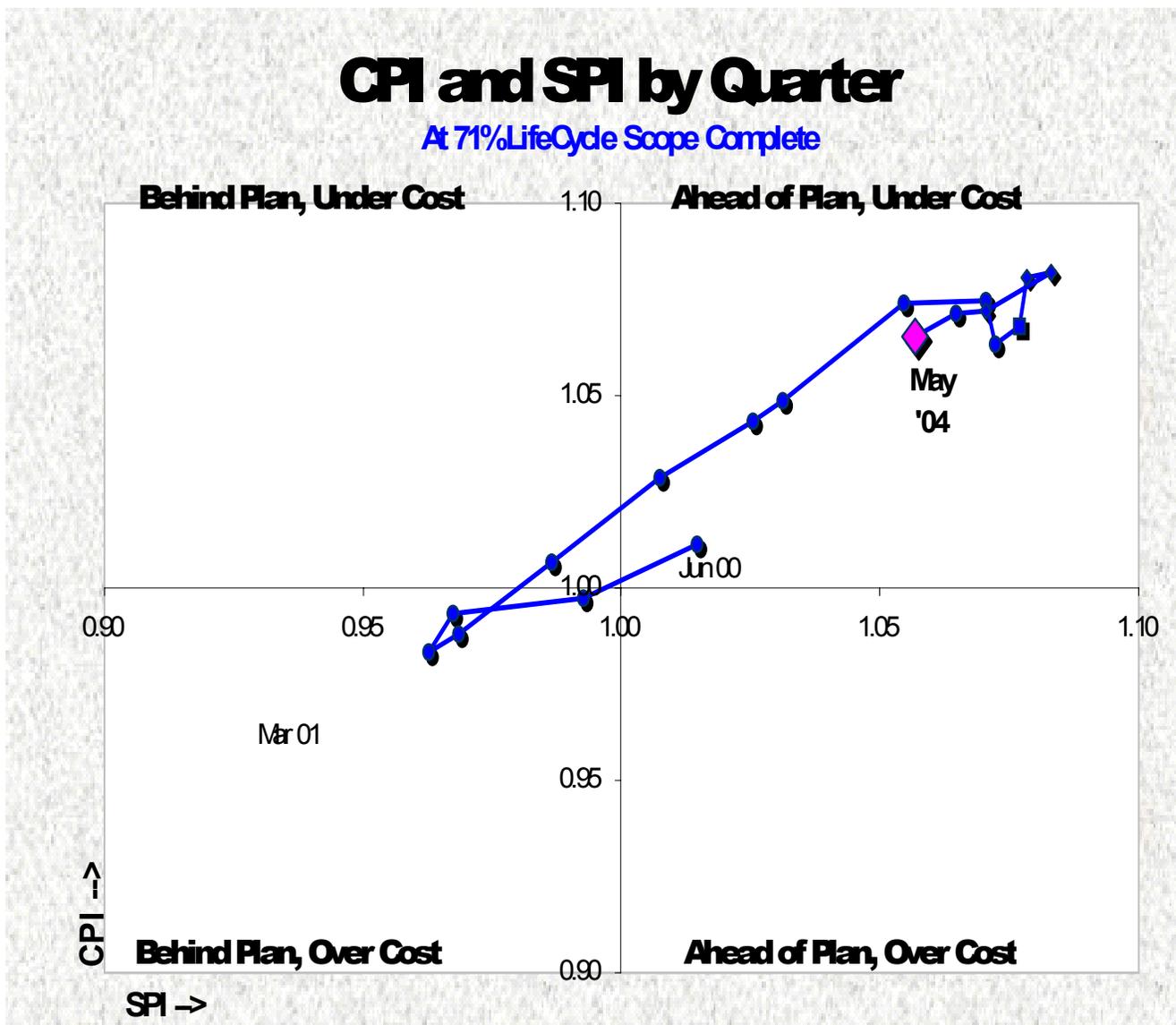


# ROCKY FLATS

# Monthly Project Report

**FY04**  
**May, 2004**





# Monthly Project Report **Rocky Flats**

May 2004

## Executive Summary

### Contract Status

**TC:** 3.973B (Original: 3.963)

**TF:** \$340.8M (Original: \$340M)

**TCD:** 15 December 2006

### Penalty Assessment

No Fee Penalties were issued this month. To date, four fee penalties have been issued under the terms of this contract with total penalties equaling \$510,000.

### Requests for Equitable Adjustments (REAs):

The National Emergency REA remains under HQ review.

### Pending REA's: ~ \$16.4M

~ \$16.4 million: National Emergency (2002 – 2003 Costs)



### Critical Path

The Critical Path continues to run through B371 D&D activities, followed by site grading. RFPO is monitoring the critical path and near critical path activities resulting from the contractor's accelerated schedule and for the time being will continue to utilize December 15, 2006 as the estimated completion date. The lack of a LLMW receiver site is being monitored for proximity to the critical path.



### GFS/I Performance

Most requirements have been and continue to be met. The key remaining issue is the identification of disposal sites for LLMW between 10 and 100 nCi/g activity.

Two possible sites have been identified: Hanford, and the Nevada Test Site (NTS):

- Disposal at Hanford depends upon a Record of Decision that has been delayed but is expected before end of June, 2004.
- Disposal at NTS depends upon permit approval from the State of Nevada - with no specific timeframe.

Without disposal capability, these "orphans" may need to be stored offsite at increased cost. Some may be returned to the site after treatment, only to face diminishing storage capacity as facilities are deactivated and demolished. Contingency planning for this issue continues.



### Safety

#### 4 Events of "Significant Concern" or Above

0 Site Noncompliance Tracking Reports

Offsite Hospitalizations: 0

Rad/Haz Transport Incidents: 0

Contaminations: 0

Lock-Out-Tag-Out Violations: 0

Other Events: 2

**Other:** 1) A near-miss occurred when a six-foot section of angle iron dropped to the floor on its end, fell over and struck an RCT on the hard hat and shoulder. -No Injury 2) A citizen incurred a hives-like allergic reaction after purchase of RF computer equipment & tools at auction. CDPHE and K-H personnel completed Rad & VOC surveys with negative results.

Events of Significant Concern in May include damaged insulation on an energized 480-volt power cord during hydrolasing activities on the second floor of Building 771, an IT worker received a shock (120 v AC) while working on a ladder above the ceiling in a trailer at the B707 Complex, WGI personnel inadvertently ran over the 480V power cord to the floor shaving unit while performing floor shaving activities in B371, and a collective significance report for recent events involving inadequate placement of extension cords and damaged/cut energized extension cords during D&D activities.

# Monthly Project Report **Rocky Flats**

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## Cost Performance



### Cost

Cost Variance +6%, +\$172M

*LIFECYCLE: 71% of scope completed; 66% of target cost expended*

The Cost Variance on the Project remains significantly positive, with about \$172 million in cost savings accumulated since the beginning of the contract. Cost variance for contractual activities decreased \$13M this month, decreasing to a positive 6% variance (6.7% to 6.1%) against the baseline plan. Positive cost variances continue to be concentrated in PBD E, Industrial and Site Services Project and PBD G, the Environmental Remediation Project where accelerated D&D and IHSS remediation are resulting in significant cost savings. The majority of the negative variance is located in the 371, 707, and Material Stewardship Sub-projects.

In the total 371 Project, \$4M in workscope took more than \$8M to complete. Currently contributing to the deterioration of the cost variance is the productivity in the building's highly contaminated dismantlement sets (Canyons and Central Storage Vault) where this month, it cost \$7M to do \$3M worth of work. Activities in this PBD continue to dominate the critical path.

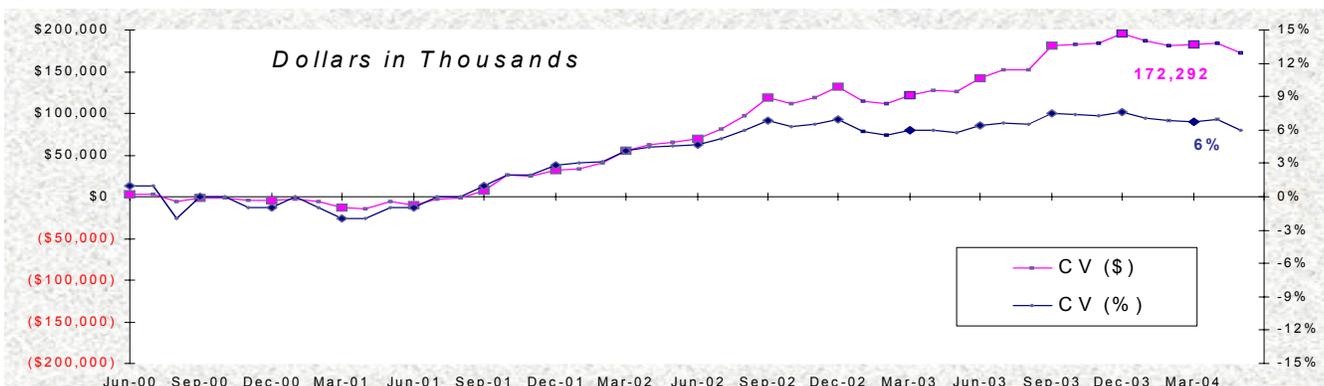
In the total 771 Project, nearly \$2M of workscope took almost \$4M to complete. Decommissioning activities in Bldg 771, cost \$3.6M to do \$.3M of work this month. Increasing negative CV is anticipated since the fixed price contract for D&D of this Facility is \$9.5M more than the baseline estimate under the contract. Additional cost overruns are caused by increased usage of waste containers and increased labor and equipment costs due to schedule delays.

### Cost Performance by PBD\*:

Project Description	BCWP	ACWP	CV (\$)	CV (%)
1A 371 Complex Project	335,214	399,955	(64,741)	-19%
1B 707 Complex Project	202,550	219,072	(16,522)	-8%
1C B771/774 Closure Project	224,941	233,883	(8,943)	-4%
1D B776/777 Closure Project	200,628	194,601	6,027	3%
1E Industrial and Site Services Project	573,209	435,409	137,800	24%
1F Material Stewardship Project	606,631	622,688	(16,058)	-3%
1G Remediation Project	143,136	70,964	72,172	50%
1H Engr., Environ, Safety & Quality	174,544	155,672	18,871	11%
1J Support Project	348,374	304,689	43,685	13%
<b>Project Totals</b>	<b>2,809,225</b>	<b>2,636,933</b>	<b>172,292</b>	<b>6%</b>

Includes *all target* fund sources: EY06, FS30, EW09, GG08, NN61 and YN01 (EW05 was recast to EY06 and FS 40 recast to FS30 beginning in FY04)

### Cumulative Cost Variance Over Time



**NOTE:** Currently, the closure project has accumulated \$27M in non-target Site Closure (EY06) and Safeguards and Security (FS30) costs. These non-target costs are generally the result of technical direction and may eventually be considered as part of potential Requests for Equitable Adjustment, and / or will impact cost variance.

# Monthly Project Report **Rocky Flats**

May 2004

## Schedule Performance

DEFINITIONS OF ROCKY FLATS' SCHEDULE PERFORMANCE INDICATORS CAN BE FOUND IN THE GLOSSARY AT THE BACK OF THIS REPORT.



### Comparative Schedule Performance

The project-level positive schedule variances reflect the contractor's continued success at accelerating workscope. The majority of accelerated activities have been in the demolition of facilities in the industrial area (PBD E), and IHSS remediations in PBD G, not on the critical path. The current critical path remains dominated by activities in Building 371 (PBD A) followed by site grading (PBD G).

Many schedule variance metrics have continued to decline during May. Although the cumulative variances remain positive, prior gains are being offset by current delays in more highly contaminated and/or more difficult decontamination, dismantlement and clean-up activities. The B771/774 project is still having difficulty achieving free release levels by hydrolasing the floors. Hydrolasing will be completed in June and hot spots will then be removed using dry decontamination techniques or will be cut out for disposal as low level waste.

Project		SV <sub>TRAD</sub>	SV <sub>PWA</sub> *	SV <sub>MM</sub>	SV <sub>P3</sub> +/- Days**
1A	371 Complex Project	2%	1%	5%	251
1B	707 Complex Project	4%	20%	10%	193
1C	B771/774 Closure Project	0%	-11%	-2%	-23
1D	B776/777 Closure Project	9%	29%	18%	374
1E	Industrial and Site Services Project	16%	1178%	40%	244
1F	Material Stewardship Project	2%	97%	7%	255
1G	Environmental Remediation	24%	202%	26%	250
<b>Total Project:</b>		<b>5.7%</b>	<b>50%</b>	<b>16%</b>	<b>250</b>

\*These are K-H reported values. RFPO validates and reports on PWA performance quarterly, in the Total Project Report  
 \*\*KH's Accelerated Working Plan



### P3 Completion

The *K-H generated* Estimated Completion Dates (using P<sup>3</sup> project scheduling software), are represented below.

The critical path continues to run through B371 D&D and site grading activities. RFPO is monitoring and will continue using the original Target Date, December 15, 2006 as the estimated completion date.

PBD	Activity Description	Baseline Early Finish	Stated Early Finish
A	B371	11-Oct-06	14-Oct-05
B	B707	13-Mar-06	7-Jun-05
C	B771/774	18-Aug-04	21-Sep-04
D	B776/777	27-Oct-06	9-May-05
E	Industrial Sites	11-Oct-06	15-Sep-05
F	Material Stew.	14-Dec-06	31-Oct-05
G	ER	14-Dec-06	8-Nov-05
<b>Total Project</b>		<b>14-Dec-06</b>	<b>8-Nov-05</b>

# Monthly Project Report Rocky Flats

May 2004



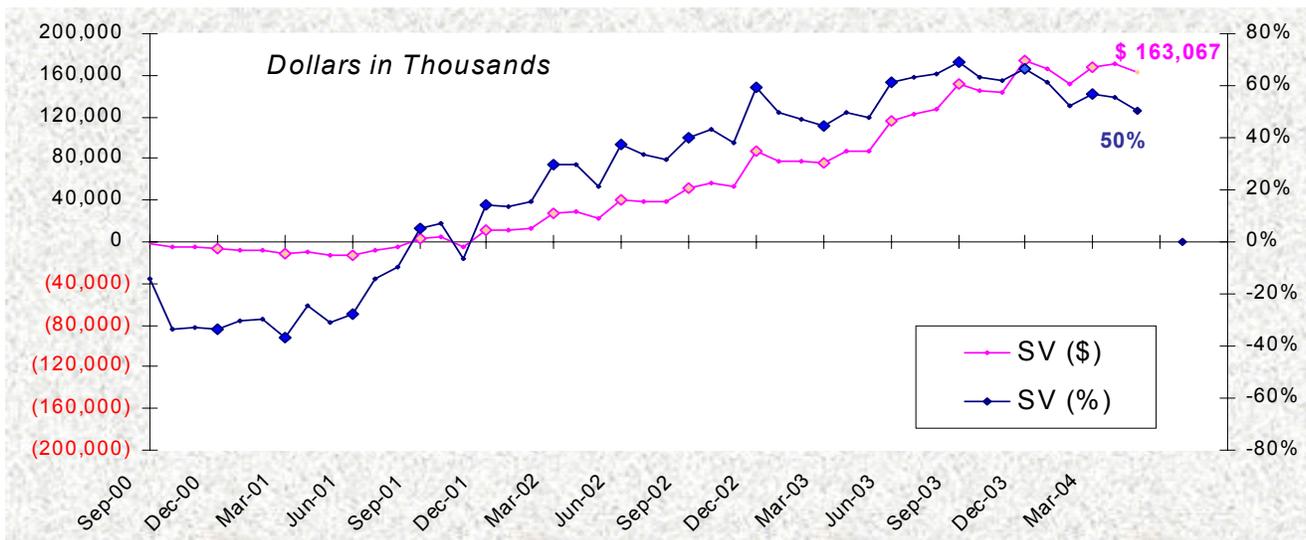
## Predetermined Work Activities

SV<sub>PWA</sub> (+\$163M, +50%)\*

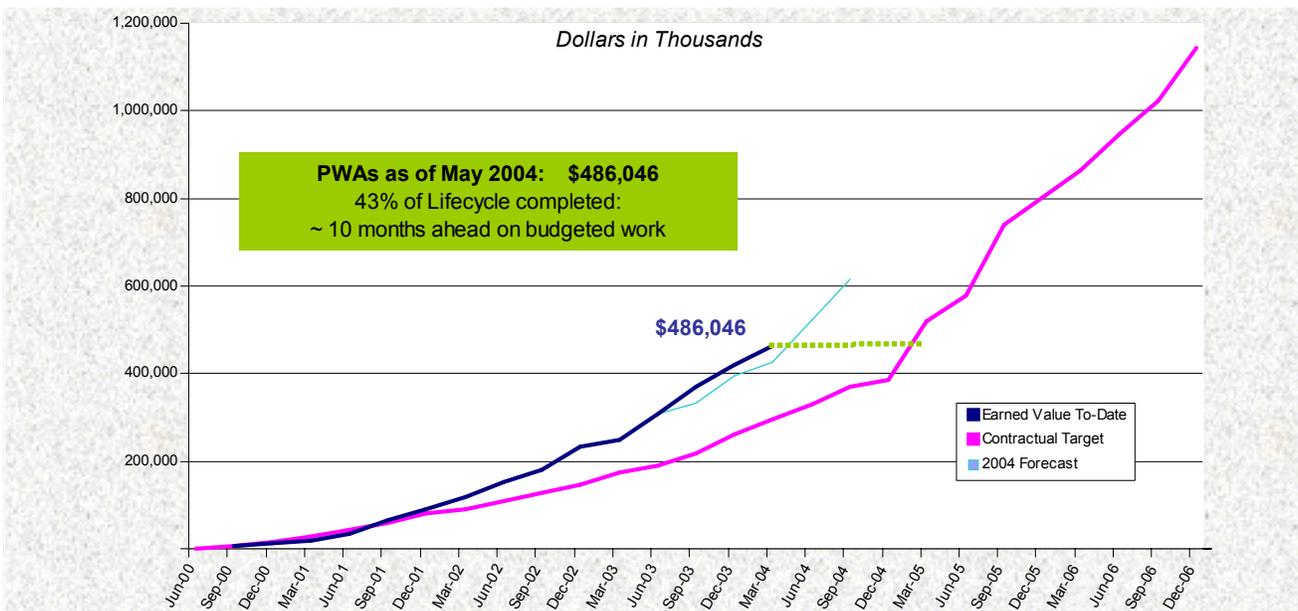
About \$16M in critical closure scope was scheduled during the month of May, about \$8M was completed. The current PWA schedule variance remains highly positive, and shows that the contractor has completed 50% more critical closure work than their baseline estimate. The current BCWS for PWAs is \$323M with a lifecycle BCWS of \$1.145B. At the end of May 2004, 63% of the contract schedule had elapsed (52 out of 82.5 months), 28% of the PWA scope was scheduled for completion, and 43% (\$486M) of the PWA scope is complete.

All the sub-projects continue to maintain a positive PWA schedule variance except for the B771/774 project which dropped another \$2M this month.

*\*These are K-H reported values. RFPO validates and reports on PWA performance quarterly, in the Total Project Report*



## PWA Schedule: Actual against Baseline Projection



# Monthly Project Report **Rocky Flats**

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## Project Metrics

Project Metric	Contract Lifecycle Planned	CPB Planned to end of FY	FY Plan (AWA)	Actuals to Date	FY Actuals	Actuals for Month	LC Completion (CPB)	FY Completion (CPB)
Low Level Waste Disposed (m <sup>3</sup> )	184,475	116,662	54,000	184,445	84,844	13,906	100%	Exceeded Plan to-date
Low Level Mixed Waste Disposed (m <sup>3</sup> )	44,614	10,911	3,500	34,383	8,008	274	77%	Exceeded Plan to-date
TRU Waste Disposed (m <sup>3</sup> )	12,355	9,688	4,600	10,816	2,602	465	88%	Exceeded Plan to-date
B371 Project Work Sets	60	33	26	29	7	1	48%	88%
B707 Project Work Sets	99	72	16	77	9	3	78%	Exceeded Plan to-date
B771 Project Work Sets	106	106	35	81	10	2	76%	76%
B776 Project Work Sets	84	72	8	77	0	0	92%	Exceeded Plan to-date
Facilities Demolished	290	141	61	159	28	4	55%	Exceeded Plan to-date
Nuclear Facilities Decommissioned	6	2		1	0	0	17%	50%
Radioactive Facilities Decommissioned	54	14		21	6	1	39%	Exceeded Plan to-date
Industrial Facilities Decommissioned	317	197		224	22	3	71%	Exceeded Plan to-date
Environmental PWAs Completed	65	19	8	30	7	2	46%	Exceeded Plan to-date
Environmental Remediation Sites Completed	360	182	24	260	69	18	72%	Exceeded Plan to-date
Gloveboxes removed	1,324		277	1,281	190	26	97%	

# Key Definitions / Terms

## **Rocky Flats' schedule performance indicators:**

All indicators (except P3) use the standard formula  $SV=BCWP-BCWS$  and are measured in dollars, not time. Performance is measured against the Life-Cycle Baseline as presented in June 2000 with minimal adjustments approved through our rigorous Change Control Process. The indicators defined below differ mainly in which budgeted costs are included in the analysis.

**Traditional Schedule Variance ( $SV_{TRAD}$ ):** This indicator addresses schedule performance compared to plan for the entire project contracted with Kaiser-Hill. It includes all "Target" costs as defined by the contract (EW05, EW09 (formerly EW02), FS40, GG08, YN01, and NN61). It does NOT include budgeted costs for things like performance fee, technology deployment, and program (RFFO) funds. A positive variance means that, compared to the original plan, more work was accomplished than planned. A negative variance means that less work has been accomplished than planned.

**Modified Milestone Schedule Variance ( $SV_{MM}$ ):** This schedule performance indicator is designed to focus on all the 'real' work at the site. It removes level-of-effort activities from the analysis, but adds the Technology Deployment budget. Again, the variance indicates that more work or less work was accomplished than planned.

**Predetermined Work Activities Schedule Variance ( $SV_{PWA}$ ):** In order to best assure that the government is awarding performance fee for the accomplishment and acceleration of the most important work at Rocky Flats, our contract with Kaiser-Hill includes a list and schedule of ~900 "Predetermined Work Activities" against which performance is measured and provisional fee is paid. Generally,  $SV_{PWA}$  calculations allow for earning value only when an activity is 100% complete (all or none), unless the activity is a quantity-based measure. These activities represent critical work necessary to the timely closure of the Site, and performance is measured against the baseline schedule set out at the beginning of the contract. Although the contractor is free to realign specific work activities as they see fit, the dollar amount of work accomplished against these critical activities is expected to remain on plan to facilitate timely closure of the site.

**Primavera Project Planner Schedule Variance ( $SV_{P3}$ ):** In contrast with the previous indicators, the P3 schedule variance is measured in units of time (days). The Primavera project scheduling software computes the longest (critical) path through the contractual work on the Project and arrives at the Stated Early Finish, (a.k.a. Estimated Completion Date). Variance is measured against the Baseline Early Finish as established in June 2000.

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**Orphans – Low Level Mixed Waste Orphans.** Wastes which must be removed from the Site but for which no disposal / treatment path has been identified and/or approved.

**D&D – Deactivation and Decommissioning.** Deactivation: the process of placing a "building" in a safe and stable condition. Decommissioning: All activities that occur after deactivation. Includes decontamination and dismantlement /demolition.

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**PBD A – 371 Complex Project.** Remaining D&D. Building demolition by October 11, 2006.

**PBD B – 707 Complex Project.** Remaining D&D. Building demolition by March 1, 2006.

**PBD C – 771 Complex Project.** Remaining D&D. Building demolition by August 4, 2004.

**PBD D – 776 Complex Project.** Remaining D&D. Building demolition by October 27, 2005. Removal of the slab/foundation by 4/26/06 and project completion by 10/31/06.

**PBD E – Industrial / Site Services Project.** The industrial and site services portion of the RISS Project, and other bldg D&D.

**PBD F – Material Stewardship Project.** Technical program direction and operational support for commodities, engineered services, procurement, traffic & transportation, and disposition of waste.

**PBD G – Remediation Project.** The Environmental Restoration (ER) Program is included in the RISS Project. The overall scope is to cleanup IHSSs, PACs, UBCs, and ground water plumes through accelerated actions under CERCLA and RFCA.

**PBD H – Engineering, Environmental, Safety, Quality, and Health.** Infrastructure. Includes; project management, assessment, oversight, regulatory compliance and monitoring, waste certification, technical training, Nuclear Safety and Licensing, Criticality Safety, Fire Protection, Engineering, Safety/Work Control, and Radiological Protection.

**PBD J – Support Project.** General Counsel & Audit (GC&A), Strategic Planning & Integration, Administration, and the K-H Executive Office.