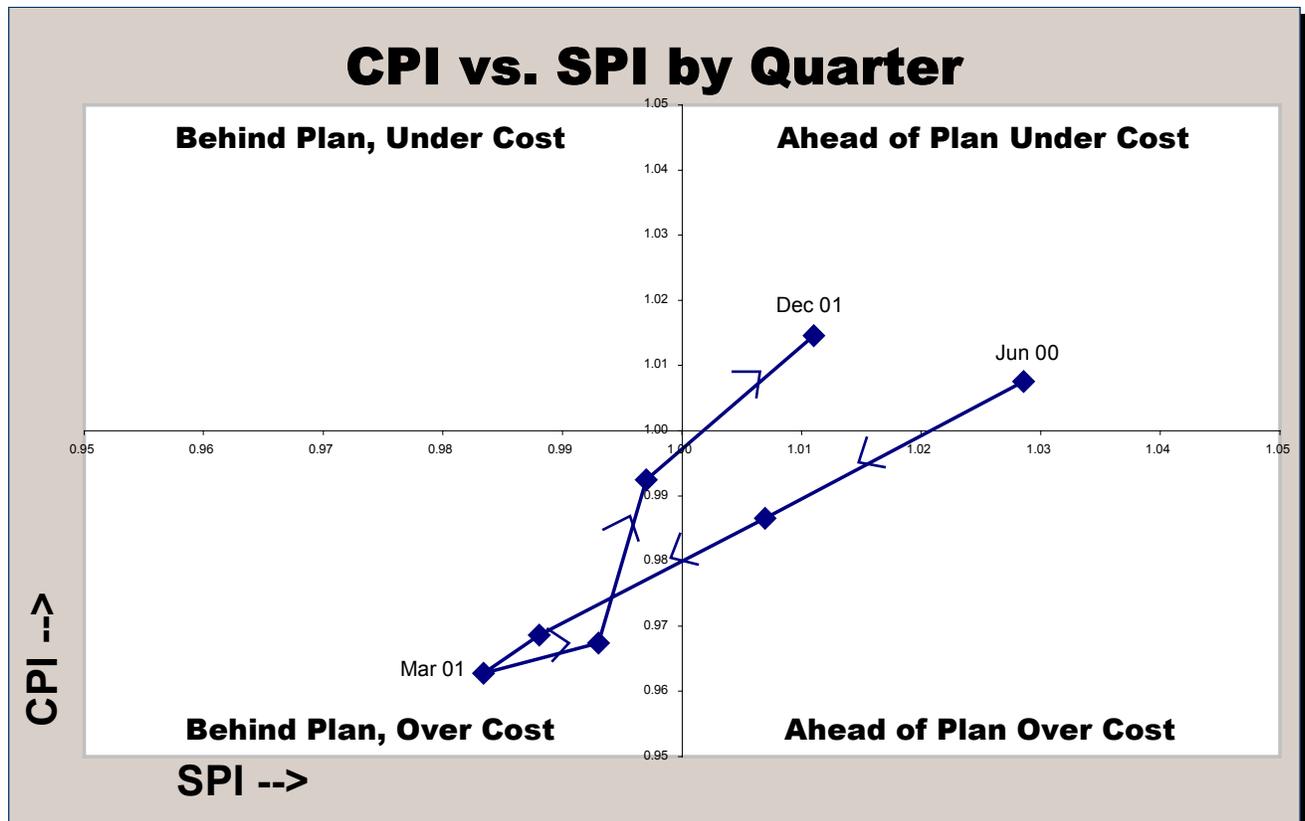


# RFFO RFETS

# Total Project Report

## 1<sup>st</sup> Quarter, FY02

### October - December, 2001



# Total Project Report **RFFO RFETS**

1QFY02 • Oct – Dec 2001

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## Executive Overview

K-H is continuing to complete work activities below the estimated cost and ahead of schedule. This extends the positive cost variance trend to three consecutive quarters and the schedule variance to two consecutive quarters. K-H has continued its emphasis on working safely and maintaining compliance with procedure to ensure safe operations. Several key D&D activities were completed including the demolition of B111 and 333, PACs 1 & 3, and three guard towers (by explosive demolition) and completion of 18 D&D sets versus a plan of ten. Other accomplishments included, completion of the plutonium fluoride residue stream, the startup of operations in B440 TRU shipping facility, increased shipment of TRU waste (averaged five truckloads per week and a high of ten), and continued acceleration of low level waste. Of critical concern to the continued success of the Project is the ability to remove SNM from the Site. DOE HQ assistance is needed to resolve pending GFS&I issues regarding the need for container certification, receiver sites, SST and other high priority activities identified in Appendix C, SNM Shipping.

### RECOMMENDED FEE ADJUSTMENT: \$0

The RFFO recommends payment of target fee for this quarter. K-H has achieved positive variance for PWA and other schedule performance metrics and has continued the positive trend in cost variance.

### PENALTY ASSESSMENT: \$0

No fee penalties were issued during the first quarter of Fiscal Year 2002 (1QFY02).

METRIC	
<b>Safety:</b>	At the end of the first quarter '02, two (2) Site NTS reports were submitted. Some of the primary issues that continue to surface include compliance with criticality controls, contamination control (Radiological and Beryllium), scope definition and hazard identification and electrical safety.
<b>On Plan</b>	
<b>Cost:</b>	Cumulative Cost Variance = +2.8%, +\$32.3M out of ~\$1,159M BCWP <sub>CUM</sub>
<b>On Plan</b>	<i>The contractor has reversed earlier observed negative trends in cost performance, and now has an established positive trend.</i>
<b>Schedule:</b>	Predetermined Work Activities SV = +14% ,+\$11.1M
<b>On Plan</b>	Traditional Schedule Variance = +0.8%, +\$8.7M <i>This is the second consecutive quarter with a positive PWA schedule variance .</i>
<b>Critical Path</b>	Critical Path is through B371, B707, ER <span style="float: right;"><b>ECD: December 12,2006</b></span>
<b>Completion Date: On Plan</b>	Building 371 activities continue to dominate the critical path. B707 and B776 D&D
<b>Current CP: On Plan</b>	Activities are on the Near Critical Path. Packaging and shipping of SNM has high
<b>Near CP: Bears Watching</b>	uncertainty, and could become the Critical Path overnight as the float is being exhausted. Immediate availability of receiver sites now, will avoid project delays and cost increases.
<b>Key Milestones</b>	<b>B111 demolition</b>
<b>DFNSB: Bears Watching</b>	<b>DFNSB:</b> B771 liquid activities - 2 milestones completed on or ahead of schedule. Residue repackaging - on schedule. Pu Metals & Oxides - behind schedule. Milestone expected to slip to Oct '02.
<b>RFCA: On Plan</b>	<b>RFCA:</b> D&D - ahead of schedule. About \$2M away from completing FY02; LLW - exceeded; TRU waste - ahead of schedule, ER - ahead of schedule. About \$340K away from completing FY02 milestone.
<b>GFS/I</b>	Numerous delays have occurred in receipt of a large number of GFS/I deliveries required for disposition of SNM. For that reason, SNM shipping planned for the quarter was not initiated and continues to be delayed. <i>See REAs</i>
<b>Status: Bears Watching</b>	<i>Future Focus:</i> disposition of SNM, certifications for remaining nuclear materials, treatment / receiver sites for orphan waste, and disposal sites for LLMW between 10 and 100nCi/g activity.
<b>Forecast: Project Impact</b>	

## Executive Summary

### Fee Adjustment Recommendation

PAYMENTS THROUGH 4QFY04: \$38,403,315

The RFFO recommends payment of target fee for this quarter. This recommendation is made based on the contractor's progress in achieving a positive schedule variance for PWA activities (+\$11.1M, +14%) as well as positive variance for traditional schedule variance and modified milestone schedule variance. The cost variance also continued the positive trend that began in May 2001. The cost variance is +\$32.2M, +2.8%. This is the first quarter that the contract metrics have all been positive. To date, the RFFO has made fee payments to K-H totaling \$38,400,989 through the end of the 1QFY02 under the provisions of the Site Closure Contract. The contractor has requested no fee deferrals under this contract.

### Penalty Assessment

No fee penalties were issued under the Closure Contract during the 1QFY02. Three penalties have been issued in prior quarters of this contract with total penalties of \$410,000. RFFO is evaluating the B776 chemical venting incident and several other past safety incidents for possible future fee penalty action.

**Contract Status:** TC: 3.966B (Original: 3.963) TF: \$340.1M (Original: \$340M) TCD: 15 December 2006

**Requests for Equitable Adjustments (REAs):** Three REAs were settled this quarter, they are: 2000-1021 PuSPS Inner Can Cap Filter, 2001-1026 Safeguards and Security Budget and Reporting Code, and 2000-1028 Defense Nuclear Facility Safety Board Recommendation 2000-2 for a total adjustment of \$315,636 to Target Cost and \$27,082 adjustment to Target Fee. After the contract modification for the three recently settled REAs is processed the new Target Cost will be \$3,968,057,508 and new Target Fee will be \$340,298,292. Several additional REAs are being pursued by KH including impacts related to the events of September 11, 2001.



### Safety

Total Site-wide events reduced from 526 in the fourth quarter '01 to 480 this quarter. This reduction, in part, is attributable to ongoing safety partnering efforts as represented by the Safety Assessment Center, the Site Safety Continuous Improvement Plan and assessments.



### Management Priorities / Initiatives

Confirm Receiver sites and approved containers for the shipment of SNM. Disposition for TRU and MLLW Orphans. Contract Fee liability Issue.



### Integration

**GFS&I:** During this quarter DOE met essential commitments for delivery of GFS&I; however, the receiver site for plutonium was not available as planned to support shipments in November 2001. DOE was successful in providing increasing numbers of TRUPACTs and associated shipping services leading toward the 2002 rate of 15 per week. Also, DOE supported Authorization Basis reviews/approvals and regulatory document reviews as required. Looking ahead, DOE will need to focus on resolving issues related to the disposition of Special Nuclear Material, primarily plutonium and container certifications for the remaining nuclear materials. Additionally, DOE will need to focus on making a best effort to find treatment and receiver sites for orphan waste materials, and working to find disposal sites for LLMW between 10 and 100 nCi/g activity.



### Critical Path

ECD: 12 December 2006

The KH Risk Analysis indicates a strong confidence in target schedule and good confidence in the cost target. KH is analyzing only the project risks associated with activities that are within their control; it does not include uncertainty associated with DOE activities. The uncertainty associated with SNM removal activities is being removed from consideration as KH has decided to close the PuSPS Risk Mitigation Plan. KH has confidence that 1300 to 1700 kg of plutonium oxide will be disposed to WIPP. As of this writing this may prove to be an overly optimistic conclusion and this risk mitigation plan may have to be reopened.

The controlling path for overall closure is through B371, B707 and the subsequent ER activities, with B707 displacing B776 in the stochastic critical path due to acceleration in B776. It appears that the progress of B371, B707 and B776 may control the schedule and the progress of all three should be closely monitored.

# Total Project Report **RFFO RFETS**

1QFY02 • Oct – Dec 2001

**Executive Summary**



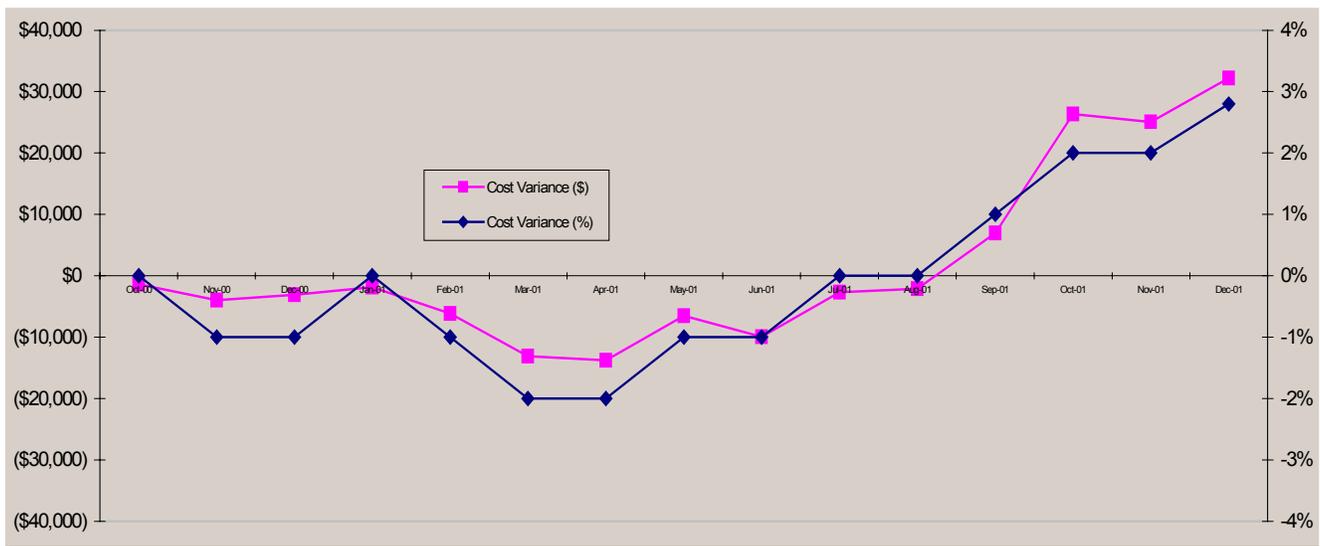
## Cost

Cost Variance (+\$32.2M, +2.8% positive trend)

During the first quarter of Fiscal Year 2002 (1QFY02), Kaiser-Hill Company, L.L.C (K-H) cost performance continued to improve. Cost Variance for target activities went from +\$7.0M and +1% in September 2001 to +\$32.2M and +2.8% in December 2001. K-H has achieved a positive cost variance for three successive quarters. Project quarterly and monthly cost variance charts are included in Appendix D.

The improvement in cost performance is clearly shown in the following graph of life cycle cost variance for target costs only.

## Cumulative Cost Variance Over Time



It should also be noted that the closure project has now accumulated \$10.3M in non-target Site Closure (EW05) and Safeguards and Security (FS40) costs. These non-target costs will eventually be considered as part of potential Requests for Equitable Adjustment, or as an impact to cost variance, or as a combination of the two.

## Cost Performance by PBD:

	Project Description	BCWP	ACWP	CV (\$)	CV (%)
1A	371 Complex Project	\$160,107	\$174,074	(\$13,967)	-9%
1B	707 Complex Project	\$92,533	\$90,656	\$1,877	2%
1C	B771/774 Closure Project	\$105,654	\$113,184	(\$7,529)	-7%
1D	B776/777 Closure Project	\$81,978	\$77,829	\$4,149	5%
1E	Industrial and Site Services Project	\$185,424	\$155,708	\$29,715	16%
1F	Material Stewardship Project	\$272,271	\$284,200	(\$11,930)	-4%
1G	Remediation Project	\$8,120	\$8,626	(\$506)	-6%
1H	Engr, Environ, Safety & Quality Programs	\$89,038	\$79,843	\$9,194	10%
1J	Support Project	\$163,961	\$142,754	\$21,207	13%
<b>Project Totals</b>		<b>\$1,156,085</b>	<b>\$1,112,876</b>	<b>\$32,210</b>	<b>3%</b>

The chart indicates that K-H has continued to under run the level of effort activities contained in PBDs H and J while overrunning the Building 371 project, the Building 771 project, and the Material Stewardship project by \$33.4M. The balance of the cost variance is an underrun of \$29.7M in the Industrial and Site Services Project (PBD E). This underrun is concentrated in the deactivation and decommissioning activities in the 800 Area and the 100/300/500/900 Areas.

# Total Project Report **RFFO RFETS**

1QFY02 • Oct – Dec 2001

**Executive Summary**



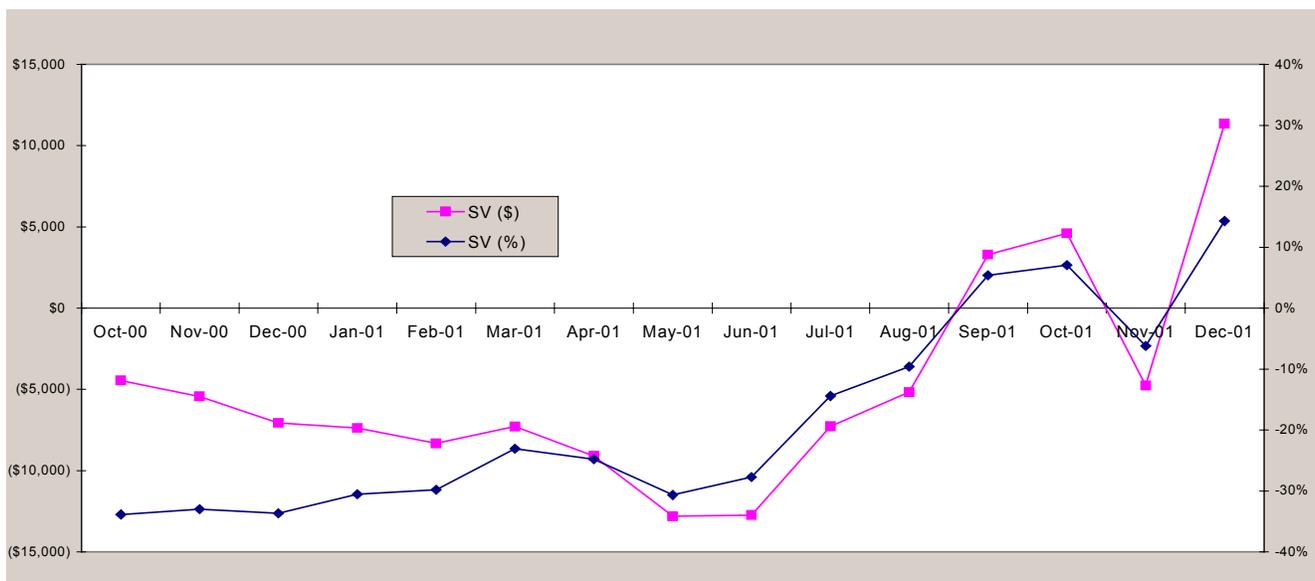
## Schedule (Pre-Determined Work Activities)

**SV<sub>PWA</sub> (+\$11.1M, +14%, positive trend)**

K-H has achieved a positive Pre-determined Work Activity schedule variance (SV<sub>PWA</sub>) for the second consecutive quarter. This SV<sub>PWA</sub> calculation allows for earning value only when an activity is 100% complete (all or none), unless the activity is a quantity-based measure. The current BCWS for these activities is \$79.4M and the life cycle BCWS for these activities is \$1.145B. At the end of 1QFY02, 28.9% of the contract was scheduled to be complete (based on to-date project BCWS of \$1.150B out of a life cycle BCWS of \$3.975B), 6.9% of the PWAs were scheduled to be complete, and 7.9% of these PWA activities are actually complete. During this quarter, the SV<sub>PWA</sub> went from +\$2.8M and +5% to + \$11.1M and +14% as verified by RFFO.

Other indicators of schedule performance include Traditional Schedule Variance, Modified Milestone Schedule Variance and P3 estimated completion dates. All these indicators are also positive. These are further discussed in Appendix E.

## Schedule Variance on Pre-Determined Work Activities



K-H reported slightly higher results (+\$221K) for the Building 371 Projects than what was reported by RFFO. The difference is the result of the methodology used to calculate fee earnings for PuSPS containers. K-H uses a graded scale approach awarding greater earned value to the earlier containers while RFFO uses a straight-line valuation method.

The chart below identifies PWA schedule variance performance by PBD for this quarter and compares the results to the end of September 2001. PBDs F & G are identified as "Worse" and "Same" only because they had several activities that they were significantly ahead of schedule during the last quarter and some of these same activities were subsequently scheduled for completion this quarter.

## PWA Schedule Performance by PBD (\*RFFO BCWP differs from KH methodology in PBD A):

Project Description	BCWS	BCWP	SV (\$)	Change	SV (%)	Change
<b>1A*</b> 371 Complex Project	\$27,398	\$21,952	(\$5,446)	Better	-20%	Better
<b>1B</b> 707 Complex Project	\$15,790	\$19,087	\$3,297	Better	21%	Better
<b>1C</b> B771/774 Closure Project	\$12,010	\$12,908	\$897	Better	7%	Better
<b>1D</b> B776/777 Closure Project	\$10,204	\$18,124	\$7,919	Better	78%	Better
<b>1E</b> Industrial and Site Services Project	\$3,291	\$3,291	(\$0)	Better	0%	Better
<b>1F</b> Material Stewardship Project	\$10,558	\$14,974	\$4,416	Worse	42%	Worse
<b>1G</b> Remediation Project	\$139	\$183	\$44	Same	31%	Same
<b>Project Totals</b>	<b>\$79,390</b>	<b>\$90,520</b>	<b>\$11,130</b>	<b>Better</b>	<b>14%</b>	<b>Better</b>



## Key Milestones

Building 111: Demolition of former corporate offices of Rockwell, Dow, and EG&G. The asbestos contaminated building was demolished according to commercial standards.

DFNSB Milestones– Plutonium Metals and Oxides – The May 2002 milestone completion date will not be met due to the slippage in the startup of the PuSPS, lower than anticipated production rates, and a higher than anticipated weld failure rate. Corrective actions have been implemented and an October 2002 completion date is projected. A disposition path for some material is still being evaluated and is expected to be resolved by the end of 2nd quarter, FY02.

Residues – The May 2002 milestone will be completed on schedule. Out of an initial 106,000kgs, Less than 6000kg remain.

Building 771 Liquids – The DFNSB milestone to complete removal of all liquids in Building 771 was completed 3 months ahead of the December 2001 milestone. The DFNSB milestone to complete processing of all Building 771 liquids by March 2002, was completed in December 2001.

RFCA Milestones– Performance results summary: D&D – 50% of schedule adjusted for FY01 Surplus = \$23.6M; actual = \$21.6M (92%); LLW – 50% of schedule = \$3.3M; actual = \$16.4M (497%); TRU – 50% of schedule = \$814K; actual = \$763K (94%); ER – 50% of schedule = \$263K; actual = \$239K (91%).

STP Milestones– Compliance with Site Treatment Plan milestones in FY02 is largely dependant on timely approval of the FY02 Oak Ridge TSCA incinerator burn plan by the State of Tennessee. If the burn plan approval is received soon, 5 STP milestones should be met in FY02, for: the last load of PCB liquids, 2 shipments of Granular Activated Charcoal (GAC) (the first of which has already been extended by 9 months by CDPHE because of last year's late burn plan approval), PCB solids, and Organic solids. Progress in finding treatment options for the other two wastes, Elemental mercury and Wet slurry which carry FY02 milestones is proceeding according to schedule, and expected to be met by the 9-30-02 date.

## Additional REA Information

To date RFFO has received a total of thirteen REAs requesting approximately \$29.3M (less than 1% of total project cost) in upward adjustment to target cost. The WIPP WAC Part II REA totals \$5.2 million. Additionally K-H submitted the REA for security related impacts from the Sept. 11, 2001 national emergency for a total of \$18.5 million. This REA only covers FY 2002 and 2003 costs. Another REA was submitted related to PuSPS Outside Requirements for \$658,903.

Three REAs were settled this quarter, they are: 2000-1021 PuSPS Inner Can Cap Filter, 2001-1026 Safeguards and Security Budget and Reporting Code, and 2000-1028 Defense Nuclear Facility Safety Board Recommendation 2000-2 for a total adjustment of \$315,636 to Target Cost and \$27,082 adjustment to Target Fee.

## Potential REA's

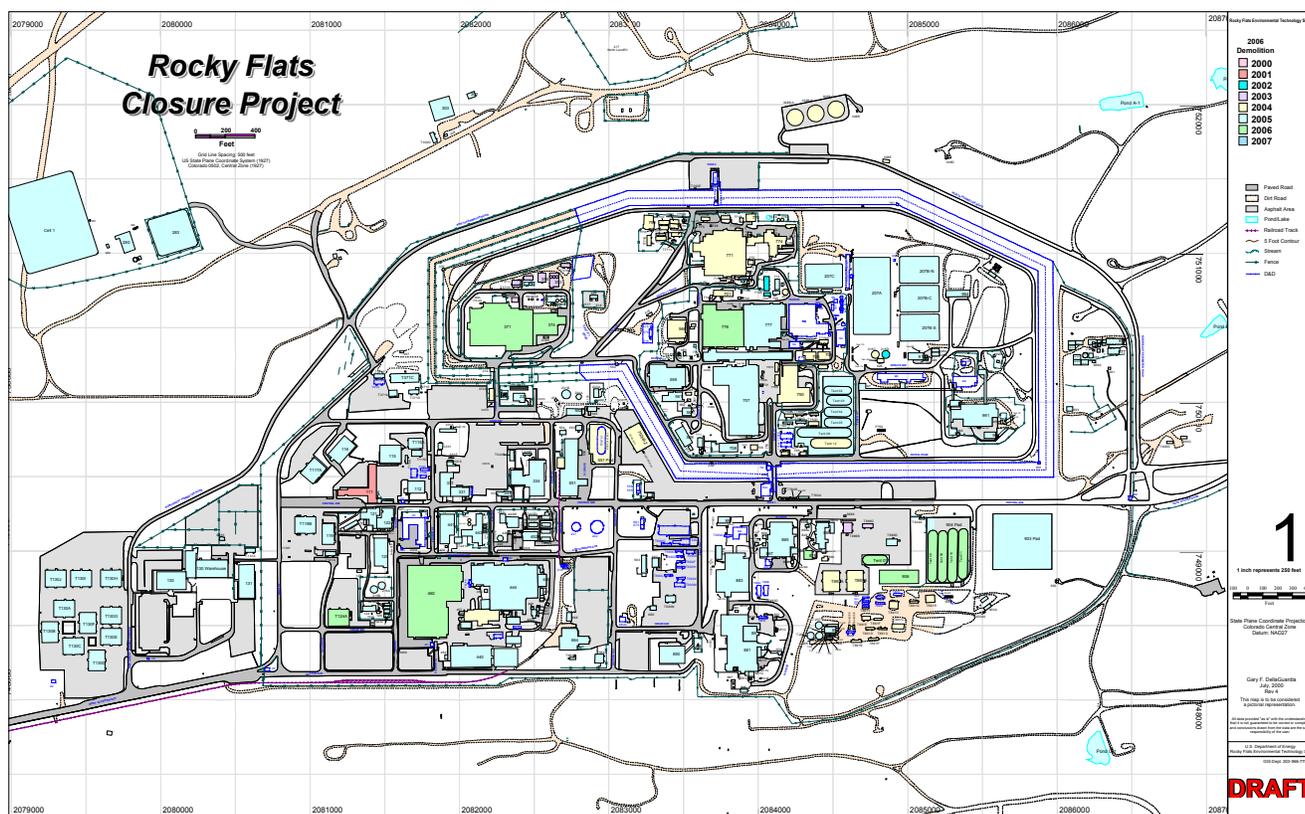
- SNM Shipping delays ~ \$10+ million and extension of closure date : This REA could be avoided with the resolution of issues related to disposition of SNM. Most importantly, solving the remaining issues related to a receiver site for plutonium oxide, Safe Secure Transport shipping services and providing container certifications for the DT-22 will avoid cost and schedule impacts.
- Pu Oxide Moisture Measurement ~\$1 million : This potential REA relates to resolving the method used to measure moisture in the DOE Standard 3013 container.
- WIPP WAC Part III - \$9.8 million : RCRA permit modifications pending with the State of New Mexico could reduce this REA by as much as \$4 million. These permit mods are for classified waste and to allow the use and qualification of previous characterization data on a portion of the existing TRU waste inventory. They would allow the disposal of classified waste without further processing and avoid re-characterization of previously characterized waste.
- Changes to Radioactive Soil Action Levels (RSALs), etc. - \$ unknown : Kaiser-Hill and DOE are working to resolve contractual issues that will hopefully result in an exchange of scope with no impact to Target Cost or Schedule.
- All Other Potential REAs ~\$2 million : DOE and Kaiser-Hill are working to mitigate or eliminate the impact of these smaller REAs.

**Total Potential REAs: \$23 million + ?**

# Total Project Report RFFO RFETS

1QFY02 • Oct – Dec 2001

## Detailed Overview



## Safety

James Jeffries x 7417

Safety at the Rocky Flats Site is managed very aggressively. RF Safety programs are effective and responsive to identified concerns. The Sitewide events identified below are representative of a wide variety of activities, most of which are at a very low level of concern. As such, some categories of events may have a seemingly large number of events, but the concern level remains low as these small events are treated as leading indicators directing our safety program improvements.

### Focus Areas:

- Electrical Safety
- Fall Protection
- Hoisting and Rigging
- Cuts and Fractures
- Contamination Control (radiological and Be)
- Traffic and Mobile Equipment Safety
- Radiological Dose/Uptakes
- Control of chemicals

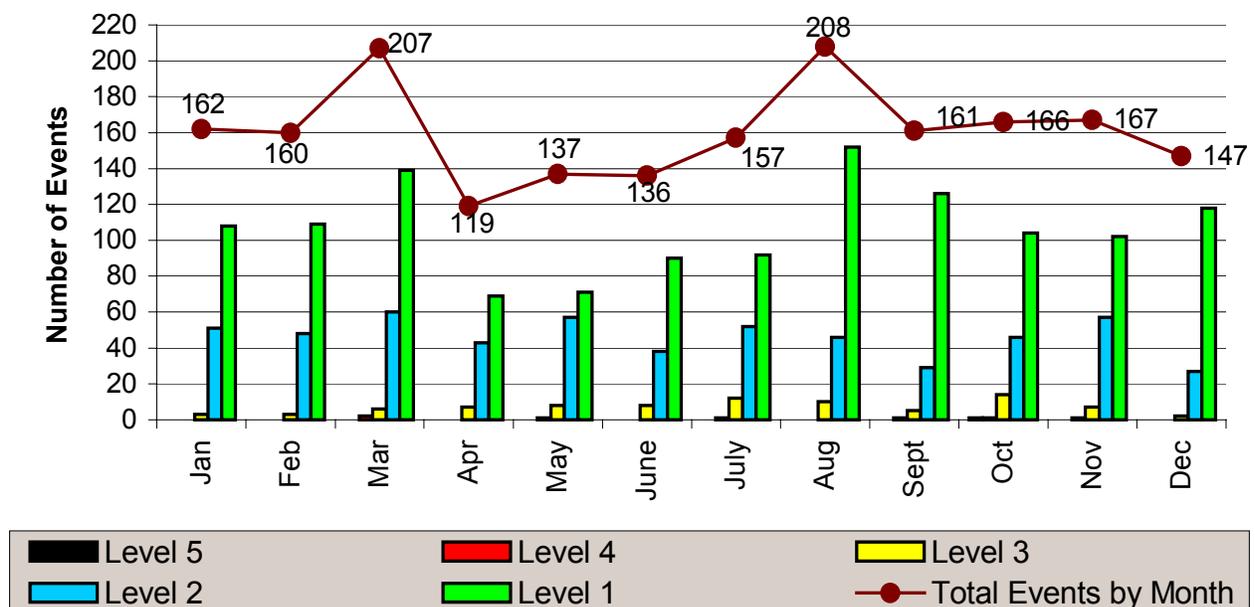
### Work Processes

- Scope definition and hazard identification
- Planning for and response to unexpected conditions
- Individual compliance with posted limits
- Support/control of non-Project personnel

### Improvement Initiatives

- Joint Company Union Safety Committee
- Safety Assessment Center
- Safety Partnering (RFFO/KH/Unions)
- Centers of Excellence (12 active)
- Assessments
  - By Projects
  - By KH evaluation teams
  - By combined (RFFO/KH) teams
- Site Safety Continuous Improvement Plan
  - 5 areas, 24 initiatives

### Events by Level of Concern



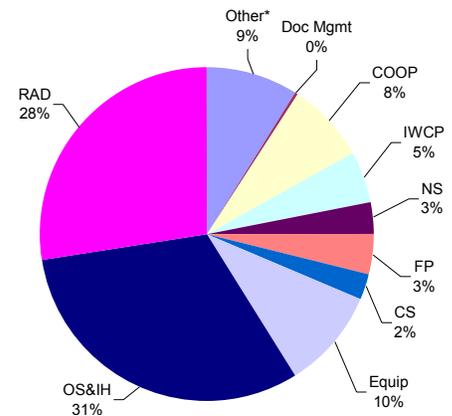
## Safety CONTINUED

### B.6 Safety Analysis

It is the DOE determination that no B.6 thresholds were violated that would cause a penalty to be imposed for the following events. DOE has reviewed 71 safety related incidents occurring over the past calendar year for commonality, severity, and lack of safety focus, these included: radiation, criticality, skin contamination, conduct of operations, electrical, and MCA incidents. Most of the 71 events were either minor or did not present a trend that would require action by DOE. However, there were a few safety incidents that warrant further review and possible action. Of the 18 electrical incidents reviewed, seven occurred in the second quarter of FY01 (Jan-Mar) prior to the site safety improvement plan being implemented. It appears the contractor's corrective actions have had a positive effect and these type incidents are trending downward. The site experienced a high number of criticality incidents that require management attention to define the root and contributing casual factors to address the corrective actions necessary to reduce these incidents.

However, DOE is still reviewing the B-776 gas venting incident report and corrective actions to determine appropriate actions. Also, in review is the B-444 hazardous chemical spill and its relationship to B-776's causal factors and management's attention to the lessons learned from B776.

**1Q FY02 Sitewide Events by SMP  
Total Events: 480**



### CAUSE CODES OF SAFETY EVENTS IN 1<sup>st</sup> Quarter FY02

People			Oct	Nov	Dec	Total	% of Total
	P1	Not trained/qualified	1	3	0	4	0.8%
	P2	Not adequately supervised/poor pre-ev	6	5	2	13	2.7%
	P3	Not following procedures/error/poor performance	67	53	58	178	37.1%
Work Control Document (IWCP/Procedure)							
	W1	No procedure/package	0	0	0	0	0.0%
	W2	Procedure/package inadequate	6	5	6	17	3.5%
Equipment							
	E1	Equipment failure/problem	29	20	9	58	12.1%
	E2	Glovebox Glove/Bag-Out Sleeve	1	16	7	24	5.0%
Management Systems (Planning, Staffing, Processes)							
	M1	Planning inadequate	14	12	6	32	6.7%
	M2	Staffing inadequate	0	0	1	1	0.2%
	M3	Process complicated/inadequate	7	14	18	39	8.1%
Legacy Could not be reasonably anticipated)							
	L1	Environmental/Radiological Controls	0	2	8	10	2.1%
	L2	Packaging	0	0	1	1	0.2%
	L3	CAM/SAAM Alarm or Contamination Discovery: Source Unknown	0	6	4	10	2.1%
Other							
	O1	Other Unattributable Cause	35	8	6	49	10.2%
	O2	Unattributable Medical Condition	0	23	21	44	9.2%
<b>Total:</b>			<b>166</b>	<b>167</b>	<b>147</b>	<b>480</b>	<b>100.0%</b>

# Total Project Report **RFFO RFETS**

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**Detailed Overview**

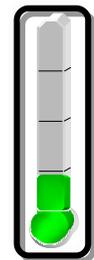


**PBD A**  
**371 Complex**  
 Fred Gerdeman  
 x6203

BCWS <sub>LC</sub>	431,731
ACWP <sub>CUM</sub>	174,074
BCWP <sub>CUM</sub>	160,107
BCWS <sub>CUM</sub>	174,997
CV <sub>CUM</sub>	-9%
EAC	462,256

With 41% of the work scheduled to have been completed, this PBD has a negative cost variance of  $-\$14.0\text{M}$  (-8.7 %) and is behind schedule  $-\$14.9\text{M}$  (-8.5 %); a decrease in both cost and schedule performance compared with last quarter. The declines in cost variance occurred as the result of PuSPS processing rates, underestimation of pipe overpack containers, additional decon, and the B374 duct repairs. Driving the SV are the suspension of nuclear shipping operations, SNM receiver site availability, and container certification delays (9975 and DT22's). Regulatory Milestones are being met. Completion of Predetermined Work Activities are still 20% behind, but have shown improvement over last quarter.

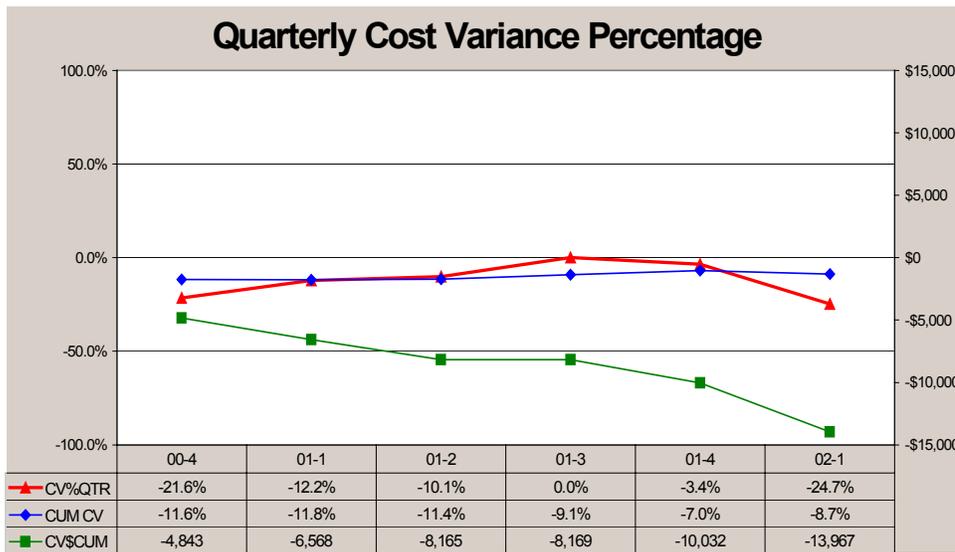
\$128M



\$22M  
17%

**PWA**  
Completion

## Quarterly Cost Variance Percentage



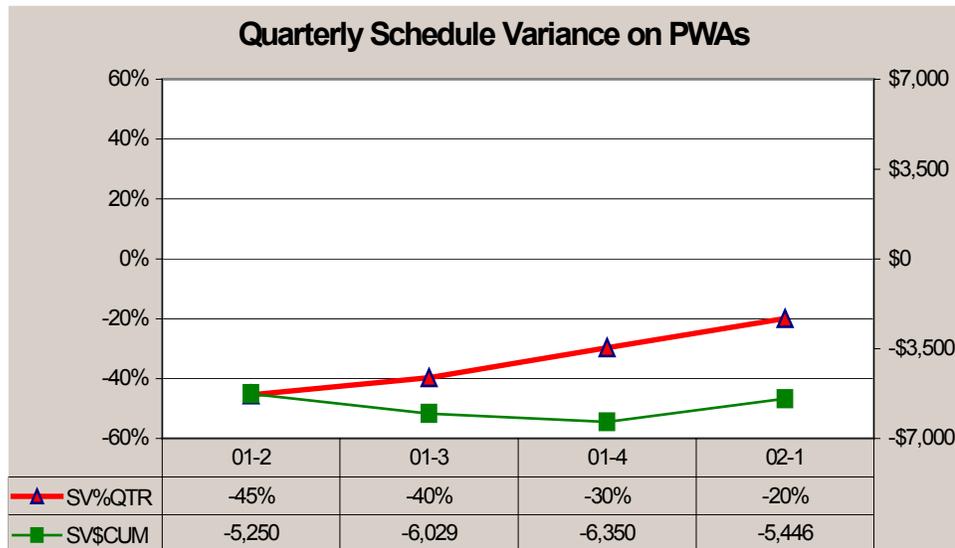
### Accomplishments:

- 87% complete with residue processing
- Repackaged residues: 504kg of Wet/Combustibles, all Fluorides; 22212kg, repackaged 87kg of Ash of Dry / Ash.
- First shipment (4 trailers) of 9975s are staged to ship to SRS
- Completed North Side Decommissioning including the B371 cooling tower

### Potential Impacts to Cost & Schedule:

- SNM receiver site: continued unavailability of SRS will impact cost & schedule
- Release of IAEA material to support PuSPS production
- GFS&I for SNM shipments: container and SST availability and container certifications for specific material configurations or alternate disposition

## Quarterly Schedule Variance on PWAs



### UPCOMING:

*Key Activities / Milestones / GFS/I*

- Complete first shipment of Pu metal and oxide to SRS
- Complete processing of ash residues
- Accelerated shutdown of B374 Waste Processing
- Complete brushing of DT-22 items
- Complete tank cerium decontamination of sets 3 and 4
- Raschig ring removal in sets 13 and 15

# Total Project Report RFFO RFETS

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**Detailed Overview**

## PBD B

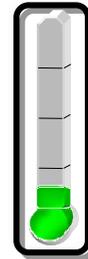
### 707 Complex

Gregg Nishimoto x7022

BCWS <sub>LC</sub>	265,981
ACWP <sub>CUM</sub>	90,656
BCWP <sub>CUM</sub>	92,533
BCWS <sub>CUM</sub>	91,141
CV <sub>CUM</sub>	2%
EAC	264,538

With 34% of the work scheduled to have been completed, this PBD is under cost and ahead of schedule, with considerable improvement over previous quarters. The cumulative traditional schedule variance is at \$1.4M (1.5%) due particularly to accelerated progress in strip-out activities, removal of the liquid nitrogen storage tank, and removal of B709 Cooling Tower. Regulatory Milestones have been exceeded. Predetermined work activities are 21% ahead of schedule with nine activities worth \$3.3 million were completed ahead of schedule.

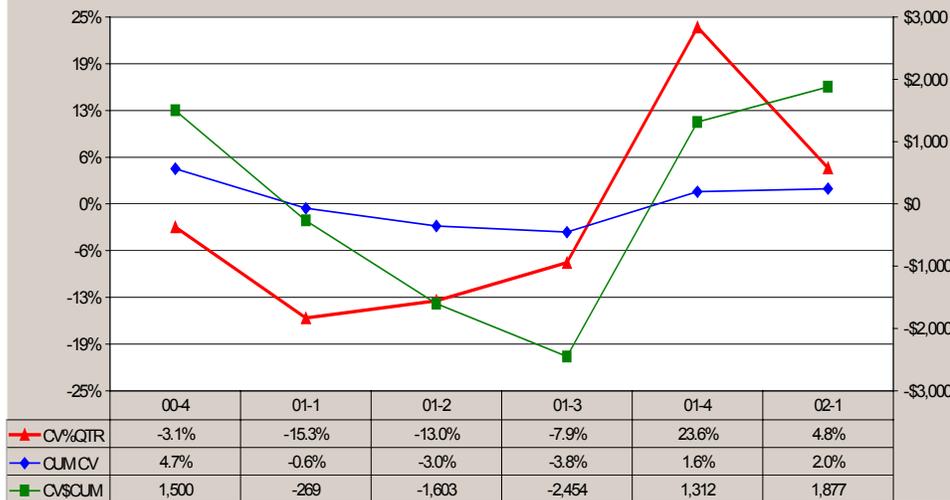
\$111M



\$19M  
17%

**PWA**  
Completion

### Quarterly Cost Variance Percentage



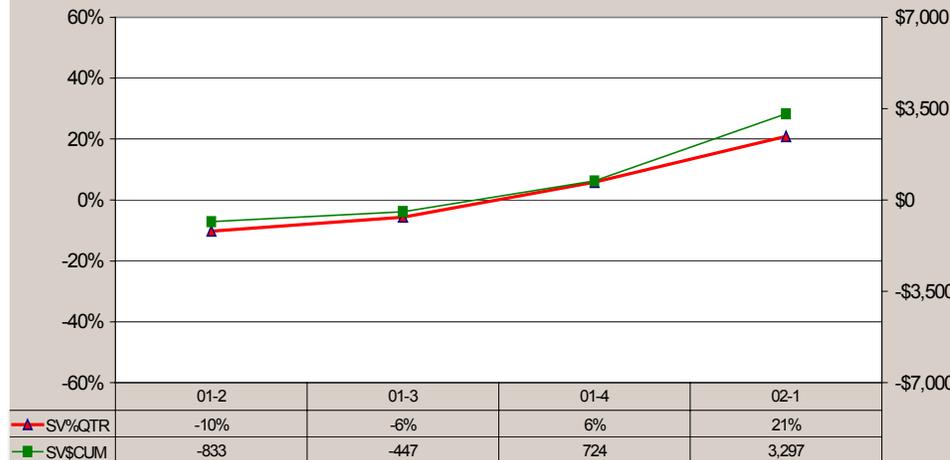
#### Accomplishments:

- Completed the decommissioning of eight sets.
- Completed the hot equipment strip-out of Module F
- Decommissioned Be-contaminated areas of Module G
- Removal of glove boxes B30, B40, C20, C30, and C105

#### Potential Impacts to Cost & Schedule:

- None

### Quarterly Schedule Variance on PWAs



#### UPCOMING:

Key Activities / Milestones / GFS/I

- Complete 5 D&D work sets
- Decommissioning work to focus on modules A, D, E, G and H and the second floor, with the removal of 11 glovebox equivalents
- Initiate and continue to work sets located in modules B, C, F, J, and K

# Total Project Report **RFFO RFETS**

1QFY02 • Oct – Dec 2001

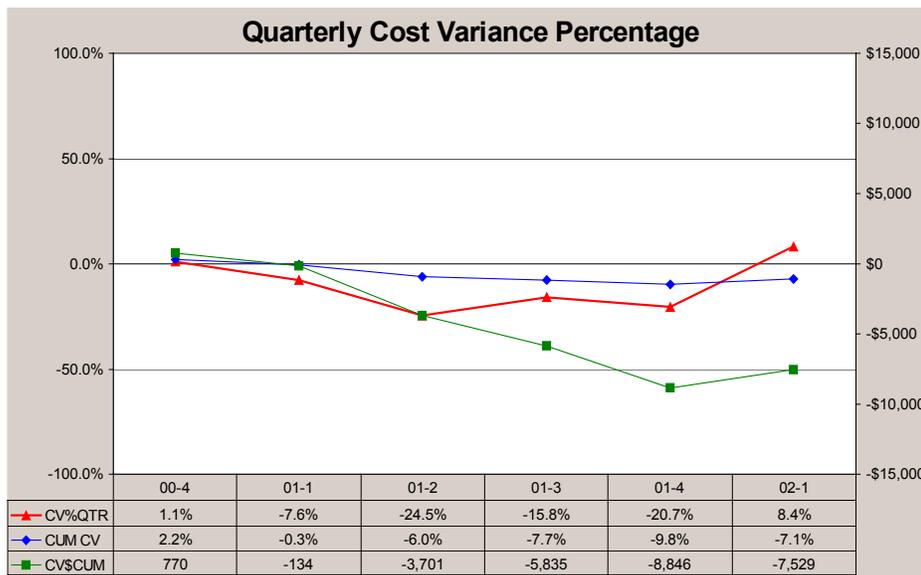
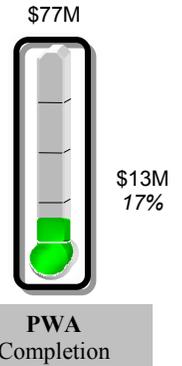
**Detailed Overview**



## PBD C 771 Complex J. Brothers x7756

BCWS <sub>LC</sub>	230,204
ACWP <sub>CUM</sub>	113,184
BCWP <sub>CUM</sub>	105,654
BCWS <sub>CUM</sub>	106,288
CV <sub>CUM</sub>	-7%
EAC	249,076

With 46% of the work scheduled to have been completed, this PBD is over cost by -\$7.5 million (-7%) and just slightly behind schedule (-0.6%). The cost figures show considerable improvement over last quarter (-\$8.8 million or -9.8%). Regulatory Milestones are being met. Predetermined Work Activities also show improvement over last quarter and are currently at +7.5% ahead of schedule. There are no GFS/I issues.

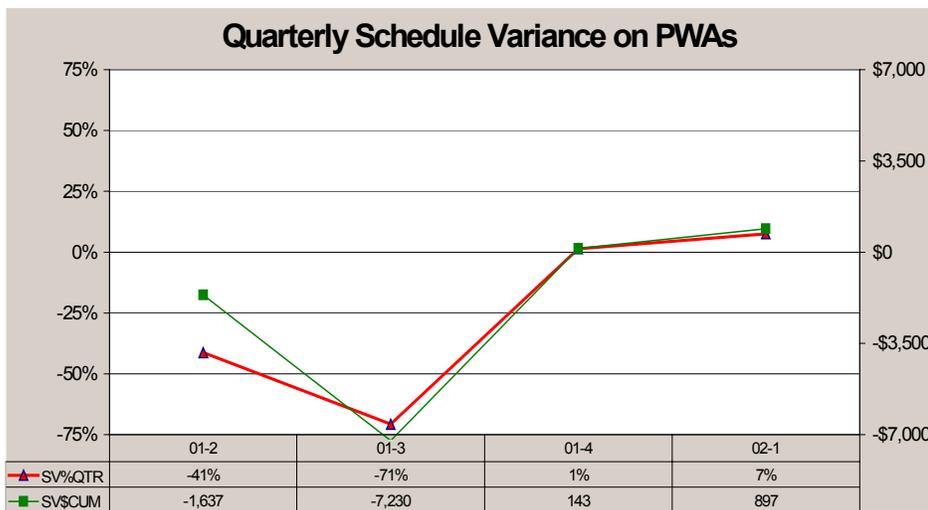


#### Accomplishments:

- Completed 5 D&D Sets
- Completed draining all Actinide & Reagent liquid systems
- Completed 1 decommissioning area
- Completed PPR of 3 systems
- Issued the request for proposal for demolition contract
- Commenced Decommissioning in B774
- Completed installation of Size Reduction 2-1 in room 149
- Completed DNFSB #302 & 303: Removal of all liquids from B771 on 10/15/01 and Processing of all liquids removed from B771 on 12/5/01

#### Potential Impacts to Cost & Schedule:

- None



#### UPCOMING:

Key Activities / Milestones / GFS/I

- Commence installation of new ventilation re-circulation system that will remove the facilities from plant steam
- Begin dismantling walls on the west side (Area AE)
- Begin mobilizing demolition subcontractor.

# Total Project Report RFFO RFETS

1QFY02 • Oct – Dec 2001

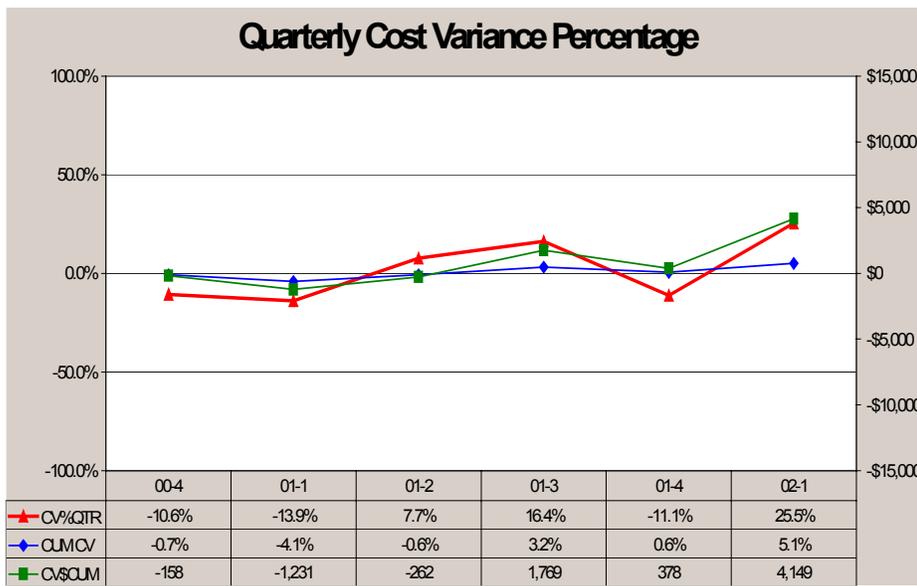
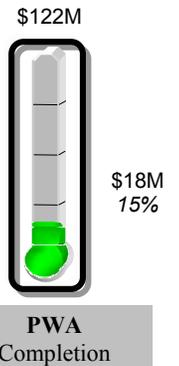
**Detailed Overview**



## PBD D 776/7 Complex Gary Schuetz x3016

BCWS <sub>LC</sub>	266,649
ACWP <sub>CUM</sub>	77,829
BCWP <sub>CUM</sub>	81,978
BCWS <sub>CUM</sub>	70,039
CV <sub>CUM</sub>	5%
EAC	262,025

With 26% of the work scheduled to have been completed, this PBD is significantly (17%) ahead of schedule and 5% under budget. Regulatory Milestones are being met. Predetermined work activities continue their positive trend and are 78% ahead of schedule. There are no GFS/I issues for this PBD.

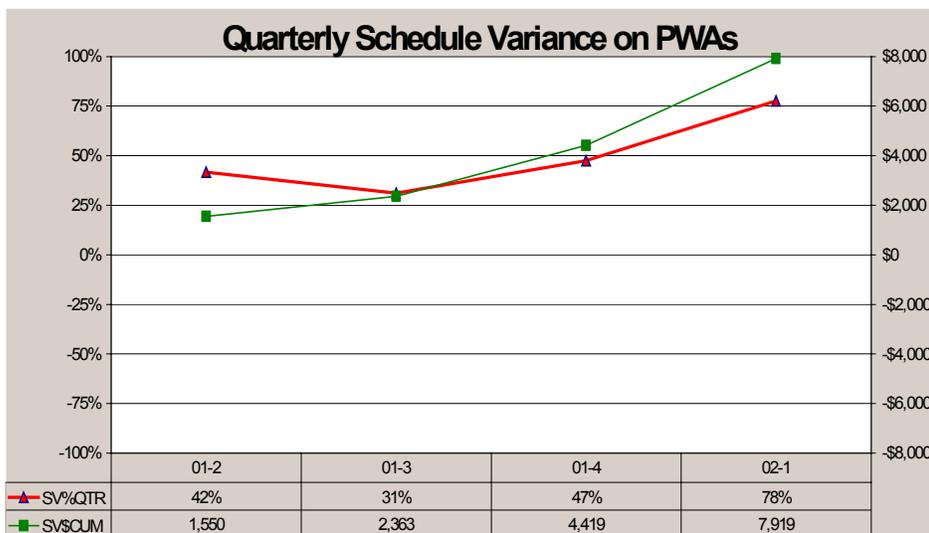


#### Accomplishments:

- Five (5) worksets completed this quarter
- 45 of 84 worksets completed to date
- Asbestos abatement for B776 is approximately 30 % complete
- Completed decommissioning 173 of 279 glovebox sections
- Completed the installation and startup of the ITC.

#### Potential Impacts to Cost & Schedule:

- Unknown conditions continue to challenge baseline assumptions
- DOE approval and implementation of the B776/777 Decommissioning BIO



#### Upcoming:

Key Activities / Milestones / GFS/I

- Decommission three worksets in second quarter of FY-02
- Conceptual planning for facility demolition
- Complete the removal of gloveboxes from room 430 (room with the highest concentration of gloveboxes in B776/777) by end of FY-02.

# Total Project Report **RFFO RFETS**

1QFY02 • Oct – Dec 2001

**Detailed Overview**

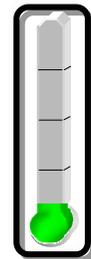


## PBD E Industrial / Site Services Michael Holifield, x3638

BCWS <sub>LC</sub>	793,477
ACWP <sub>CUM</sub>	155,708
BCWP <sub>CUM</sub>	185,424
BCWS <sub>CUM</sub>	164,198
CV <sub>CUM</sub>	<b>16%</b>
EAC <sub>(DOE)</sub>	676,769

With 21% of the work scheduled to have been completed, this PBD is significantly (12.9%) ahead of schedule and 16% under budget. Regulatory Milestones are being met. Predetermined work activities are now on schedule due to the completion of the B111 demolition (the only PWA scheduled for completion to date). Potential curtailment of HQ's NAMP funding may create a GFS/I Issue for this PBD. Positive variances are due to acceleration of 865 Facility Group Stabilization and Hazard Removal work, and demolition of 560 cooling tower 3 years ahead of schedule.

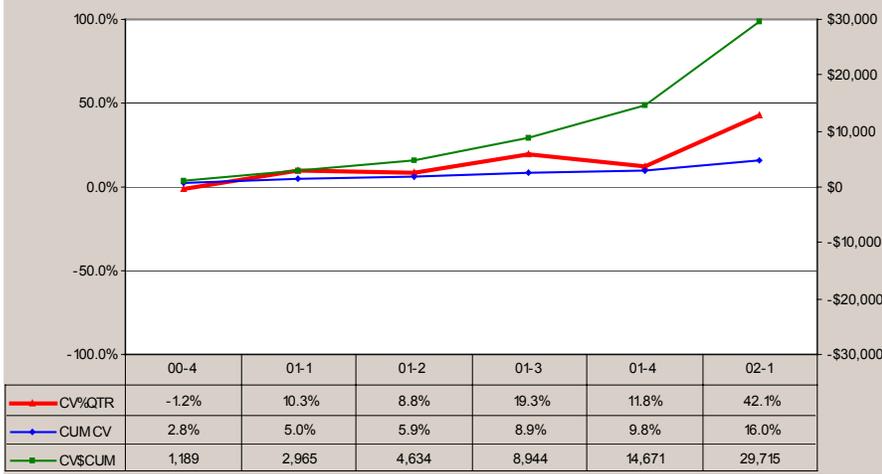
\$306M



\$3M  
1%

**PWA  
Completion**

### Quarterly Cost Variance Percentage



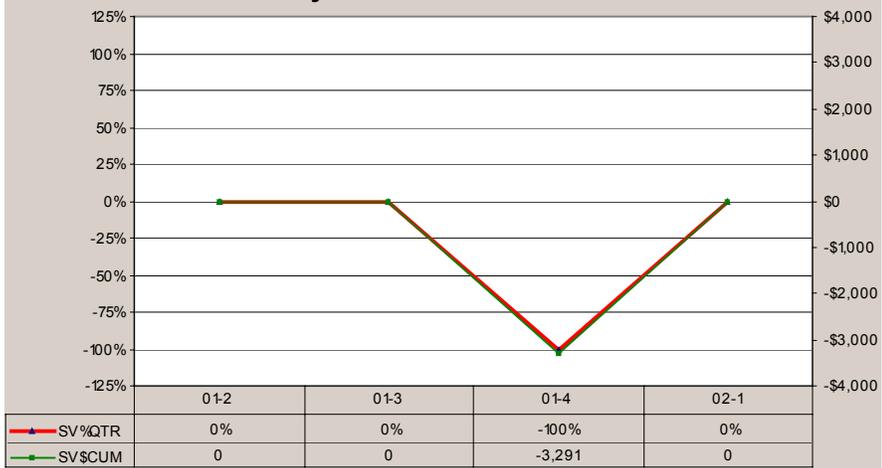
### Accomplishments:

- Demolished 3 Guard Towers
- Demolished B111, B333, & 132 pad
- Demolished B888
- Completed reconnaissance characterization in B865
- Awarded AWTS Contract
- Demolished 560 Cooling Tower

### Potential Impacts to Cost & Schedule:

- GFSI Requires a Quality National Analytical Management Program Unclear if HQ will continue to Support \$1.3M NAMP following Reorg
  - EM-5 the sponsoring HQ organization may be Dissolved as Part of Reorg
  - Major Component - Conduct Consolidated Audits of Labs Servicing DOE
  - Substantial Impact on Analytical Services

### Quarterly Schedule Variance on PWAs



### UPCOMING:

*Key Activities / Milestones / GFS/I*

- Award B865 D&D subcontract
- Initiate asbestos abatement in B865
- Award off-site lease and commence staff relocation
- Complete sale of trailers T900D and C

# Total Project Report **RFFO RFETS**

1QFY02 • Oct – Dec 2001

**Detailed Overview**

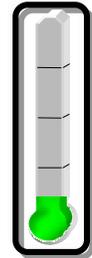


## PBD F Material Stewardship Fran Geurink x4619

BCWS <sub>LC</sub>	850,517
ACWP <sub>CUM</sub>	284,200
BCWP <sub>CUM</sub>	272,271
BCWS <sub>CUM</sub>	279,785
CV <sub>CUM</sub>	-4%
EAC	891,176

With 33% of the work scheduled to have been completed, this PBD is over cost and slightly behind schedule. PBD F is -2.7% behind schedule and -4.4% over budget. The Site Treatment Plan Regulatory Milestone (GAC) was extended until June 02 for shipping. The FY02 Burn Plan has not yet been approved by the state of Tennessee.

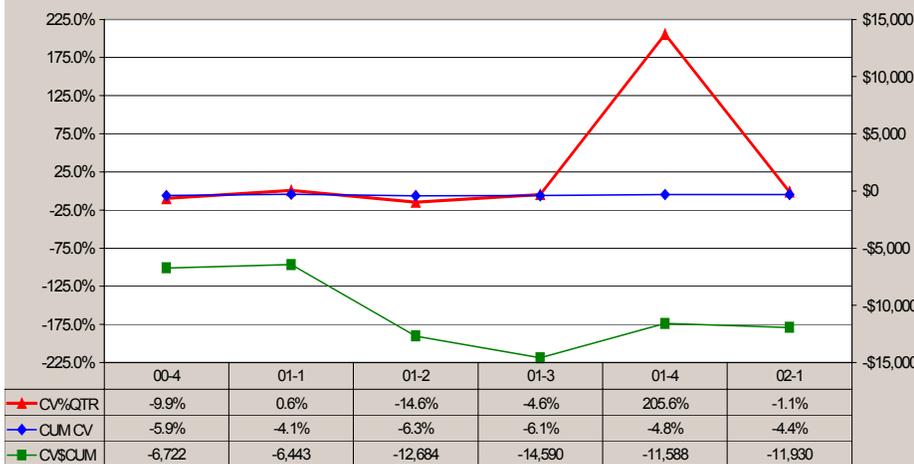
\$161M



\$15M  
9%

**PWA**  
Completion

### Quarterly Cost Variance Percentage



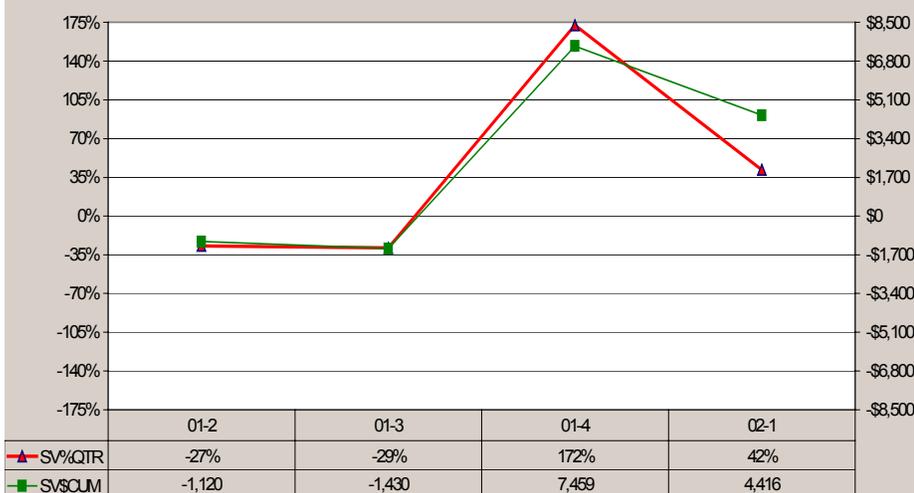
### Accomplishments:

- 4,327 m<sup>3</sup> LL waste shipped to NTS - 1,099 m<sup>3</sup> of that in December.
- 376 m<sup>3</sup> TRU waste shipped to WIPP, 147 m<sup>3</sup> in December
- Shipped 408 m<sup>3</sup> LLM waste, 226.73m<sup>3</sup> in December
- Shipped 37 m<sup>3</sup> non-PCB Liquids to Oak Ridge TSCA incinerator
- Opened the TRU Waste Loading Facility (B440) in December

### Potential Impacts to Cost & Schedule:

- TRU Orphan wastes: Delivery of transportation to ship TRU Orphans
- Continued availability of TSCA Incinerator for GAC and Organic liquids
- Receiver sites for LLMW (>10Nci/g)

### Quarterly Schedule Variance on PWAs



### UPCOMING:

*Key Activities / Milestones / GFS/I*

- Approval of FY02 Burn Plan by Tennessee
- TRU shipments to increase to 15 per week.

# Total Project Report **RFFO RFETS**

1QFY02 • Oct – Dec 2001

**Detailed Overview**

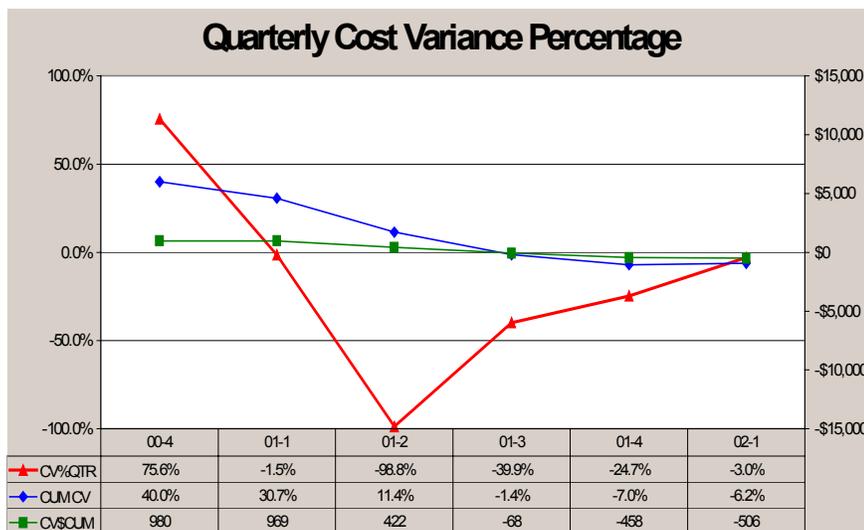
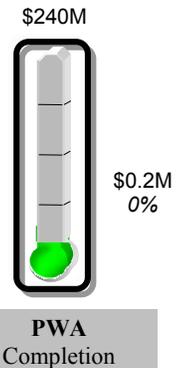


## PBD G Remediation

Norma Castañeda x4226

BCWS <sub>LC</sub>	295,460
ACWP <sub>CUM</sub>	8,626
BCWP <sub>CUM</sub>	8,120
BCWS <sub>CUM</sub>	11,089
CV <sub>CUM</sub>	-6%
EAC	290,961

With 3% of the work scheduled to be completed, this PBD is -26.8% behind schedule and \$0.5 million (-6.2%) over budget. Cost overruns are expected to increase in the near term, with full cost recovery ultimately expected. Schedule variance on PWAs through the first quarter of FY 2002 was a positive \$0.04 million. The IHSS Group 100-3 has been completed ahead of schedule. There are no GFS/I Issues for this PBD G.



#### Accomplishments:

- Submitted the draft final Environmental Remediation RSOP to DOE
- CDPHE and EPA approved the Industrial Area Sampling and Analysis Plan Addendum for all IHSS Groups excluding Group 900-Area
- Awarded remediation and characterization subcontracts

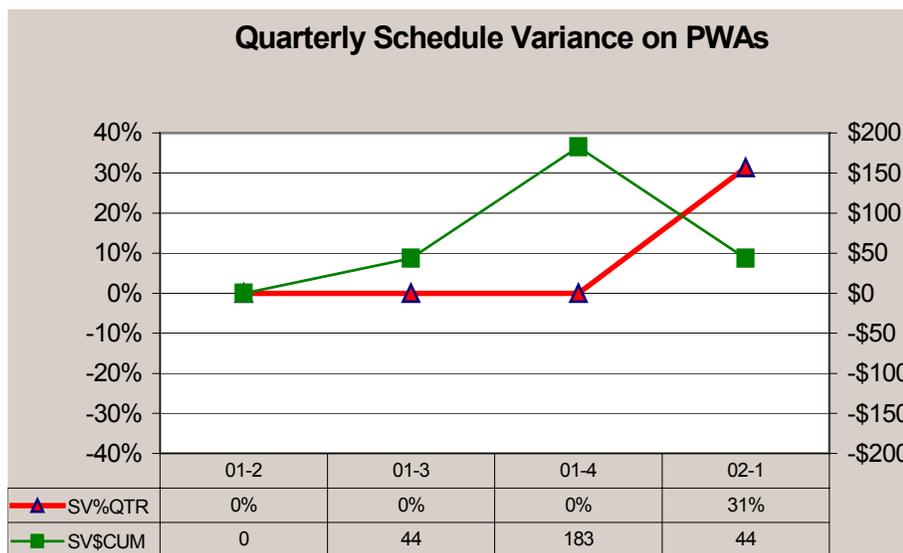
#### Potential Impacts to Cost & Schedule:

- Schedule variance will remain due to UBC 771 remaining building characterization delayed and will be accomplished with the UBC remediation.
- regulatory agency's acceptance of the Environmental Remediation RSOP for soil remediation
- Possible lowering of the soil action levels, currently proposed by the Stakeholders

#### UPCOMING:

Key Activities / Milestones / GFS/I

- Complete remediation of IHSS Grouping 100-4 (B123).
- regulator approval of the Environmental Remediation RSOP for soil remediation
- regulator approval of the Buffer Zone Sampling and Analysis Plan



# Total Project Report **RFFO RFETS**

1QFY02 • Oct – Dec 2001

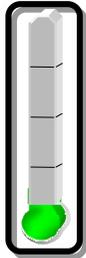
**Detailed Overview**

## PBD H

### Engineering, Environmental, Safety, Health & Quality

J. Torma-Krajewski x7165

\$239M



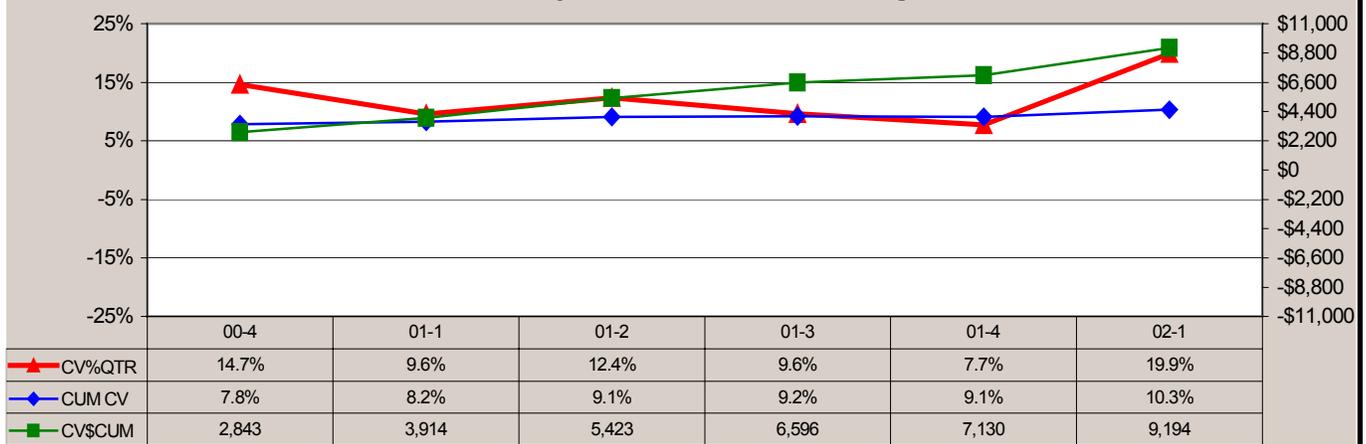
\$89M  
37%

**PWA Scope  
Completion**

BCWS <sub>LC</sub>	239,032
BCWS <sub>CUM</sub>	89,038
ACWP <sub>CUM</sub>	79,843
BCWP <sub>CUM</sub>	89,038
CV <sub>CUM</sub>	10%
EAC	211,048

With 37% of the life-cycle work in this PBD scheduled to have been completed, PBD H has a 10% cost variance (\$9,100K) and a 0% schedule variance (level of effort). The contractor has attributed this CV in great part to staff vacancies. The cost variance has remained relatively steady over the last few months.

### Quarterly Cost Variance Percentage



#### Accomplishments:

- Air-quality sampling during the B111 demolition in part to establish radionuclide and beryllium baselines
- Installed almost all of the water quality monitoring equipment necessary to support B865 and B883 D&D work
- Joint Pre-Declaration of Implementation Assessment (CBDPP) found no major noncompliances in the Kaiser-Hill program

#### UPCOMING:

*Key Activities / Milestones / GFS/I*

- Developing options for maintaining lung counting capabilities
- Final studies this year to determine the limits on the transport of Pu in the ponds and in groundwater at RFETS

#### Potential Impacts to Cost & Schedule:

- Occupational Medicine Department has fallen behind in reducing its backlog of individuals who are beyond their surveillance schedule
- Additional electrical drops are needed in order to operate sampling equipment and support the 903 Pad Remediation

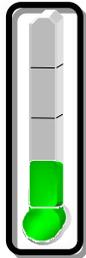
# Total Project Report **RFFO RFETS**

1QFY02 • Oct – Dec 2001

**Detailed Overview**

## PBD J Support Project Bob Birk x5921

\$602M



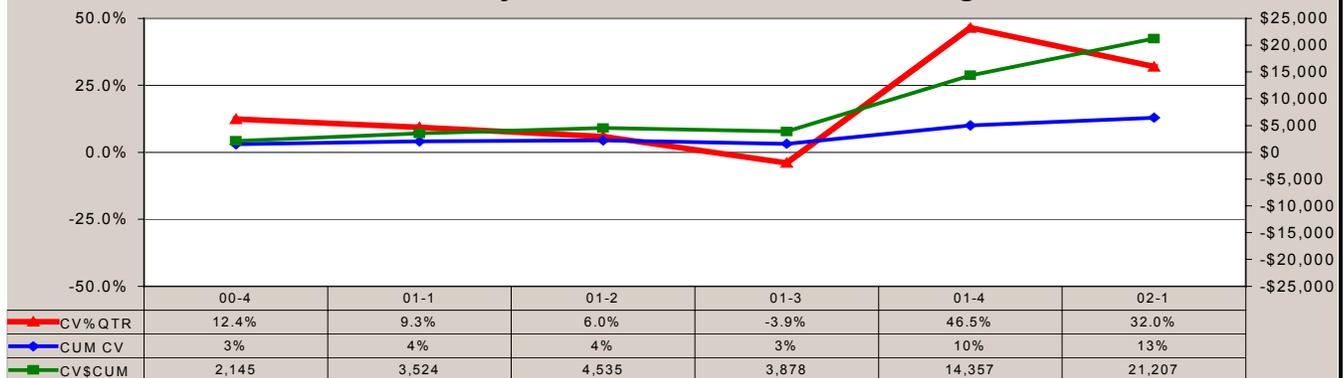
\$164M  
27%

**PWA Scope  
Completion**

BCWS <sub>LC</sub>	<b>601,703</b>
BCWS <sub>CUM</sub>	163,816
ACWP <sub>CUM</sub>	142,754
BCWP <sub>CUM</sub>	163,961
CV <sub>CUM</sub>	<b>13%</b>
EAC	519,191

With 27% of the work under this PBD scheduled to have been completed, PBD J contract performance varied with the CV at +13% versus +9.6% last quarter and the SV at 0% versus 0% last quarter.

### Quarterly Cost Variance Percentage



#### CAD Cost Analysis:

JAA – KH Executive Office – was +70%, or \$4,981K. primarily due to the COO position being vacant until March 2001 along with a corresponding admin position that was vacant until December 2000. The KH executive Office is now fully staffed and monthly actual expenditure are in line with monthly planned budgets.

JAC – Planning and Integration cost variance was +14% or \$2,072K. due to several positions being periodically understaffed with attendant supply requirements, reduced consulting subcontract costs. Postponement of Family Day contributed to \$20 k to the positive CV.

JAE – Steelworker Overhead cost account was +35% or \$5,110K. due to the difference between the budgeted amount of lump sum bonuses planned for distribution and the amount actually paid as well as lower idle/training time charges to steelworker overhead account.

JAG – Fringe Benefits- was +137% or \$8,039K. due to recovery of fringe costs and a rate revision. The ACWP reflects an over-recovery of fringe costs due to higher than anticipated use of security and steelworker overtime. The BCWP reflects a BEST system generated estimate of under-recovery of fringe that is not current with actual staffing.

#### Accomplishments:

– None

#### UPCOMING:

*Key Activities / Milestones / GFS/I*

None

#### Potential Impacts to Cost & Schedule:

– None

## Rocky Flats Field Office

Budget: Lance Schlag x3171  
Strategic Goals: George Liscic x6534

### **RFFO Strategic Measures**

#### **Current Management Priorities / Concerns**

The RFFO has developed a draft strategic plan. The plan contains a Vision and Mission statement, Core Values, Eight Corporate Goals, a template for developing corporate performance measures and business unit Annual Operating Plans. Each RFFO Business Unit (BU, a.k.a. Direct Report Organizations) has developed Annual Operating Plans which are based on adding value to the eight Corporate Goals and RFFO Mission through goal setting at the business and functional levels. Individual BU employees annual work are described as outputs and are appropriately categorized within the goals developed at the BU or Functional level.

There are a number of items pending to complete the planning and implementation of the strategic planning process. For the planning purposes, these include but may not be limited to developing RFFO Corporate Strategies, Corporate Performance Measures, conducting an RFFO performance assessment and various elements of the BU Annual Operating Plans, including awards plans, management improvement planning and communications improvement planning. In terms of implementation, we still need to 1) develop the tracking and reporting methods for performance measures at the RFFO corporate level against improvement goals, 2) develop change control, and 3) decide upon routine strategic planning review cycles.

There are a number of other implementation activities that may be undertaken to add value to maintaining a strategic focus on RFFO work, including employee transition activities, strategic HR development, work efficiency activities, etc. These activities should be identified as soon as possible and undertaken in parallel with the completion of the pending items described above.

#### **Performance against Strategic Goals.**

The RFFO has developed FY 02 Strategic Performance measures for each of the eight strategic goals 14 days ahead of schedule (as identified in the AMAT AOP). Implementation steps include developing scorecards for each set of measures. These scorecards are to be developed by each of the strategic goal owners, posted, tracked and progress reported on. The scheduled launch for reporting against these measures is March 1, 02. This milestone bears watching due to lag that may result from the need to establish meaningful metrics and baselines of past performance.

Other pending activities described above have yet to be decided upon. The final decisions may affect the scope of the actions to be acted upon. It is anticipated that the scope of strategic planning work for the remainder of 02 will be determined by mid March, 02 and reported in the next TPR.

### **RFFO Budget**

#### **Performance**

EW05 Budget Authority \$24.682M, Obligated through December \$.432M or 2%, Left to obligate \$24.250M or 98%  
FS40 Budget Authority \$.45M, Obligated through December \$0M or 0%, Left to obligate \$.45M or 100%  
RFFO allocated \$6.6 M for FY 2002 GFS&I support.

#### **Issues/Concerns**

RFETS has experienced higher utility costs in FY 2001. RFFO, HQ procurement, and K-H have formed Utility Negotiation Team to review utility options and develop a utility strategy.

#### **Upcoming Focus**

The Cook Case trial anticipated for January 2002 has been delayed. This may reduce projected litigation support to a manageable level.

RFFO is negotiating transfer of utility contract management to K-H (PBD E) and deferred obligating additional funding to the current contracts. Based on progress to date, RFFO will need to obligate significant funding on these contracts during the next quarter.

### Funding Impacts

#### **Major accomplishments in 2001 and projected for 2002:**

##### *Fiscal Year 2001 (Previously provided to S. Rudzinski)*

- Consolidated Special Nuclear Material into a single building and significantly reduced the size of the Security Protected Area in July 2001. This action both significantly reduced security costs for buildings being dismantled and reduced the time it takes to gain access to these facilities by the work crews.
- Initiated packaging of plutonium metals and oxides in the Plutonium Stabilization and Packaging System (PuSPS) in June 2001 for planned shipments in Fiscal Year (FY) 2002, which is critical to ensuring on-time completion of the project.
- Deployed a process to decontaminate Transuranic (TRU) waste in glove boxes, to Low Level Waste (LLW), which will reduce radiological exposure to the workers, significantly reduce the cost of off-site disposal, and support potential for accelerated Rocky Flats Environmental Technology Site closure.
- Met all of the Rocky Flats Cleanup Agreement milestones for FY 2001.
- Completed the TRU waste shipping facility in September, which will provide capability to meet shipping schedules in support of FY 2006 closure.
- Shipped 13,232 cubic meters of LLW off-site, which exceeded the planned shipments by 236%.

##### *Fiscal Year 2002 (Previously provided to S. Rudzinski)*

- Complete processing of plutonium residues currently planned for disposal at WIPP.
- Start shipping plutonium metals and oxide (MOX acceptable metals and oxides) to the Savannah River Site.
- Accelerate closure, D&D, and demolition of facilities, some nuclear and some non-nuclear, in accordance with the intent of the Closure Contract.
- Increase TRU waste shipment to Waste Isolation Pilot Plant from seven shipments per week to fifteen per week to support project completion on or ahead of schedule.
- Increase LLW shipments off-site to 23,000 cubic meters in support of site closure by 2006.

#### **Expected achievements at the projected 2003 level of funding of \$664M:**

- Meet all Rocky Flats Cleanup Agreement (RFCA) milestones for low-level and low-level mixed waste, transuranic waste, environmental restoration, and decontamination and decommissioning, subject to receiver site availability.
- Complete shipment of all MOX acceptable plutonium metals and oxides to Savannah River.
- Complete packaging and shipping non-MOX acceptable plutonium metals and oxides.
- Close and eliminate the Protected Area, and reduce security resources accordingly.
- Identify receiver sites for “orphan” low-level mixed waste and “orphan” transuranic waste.
- Ship 3,700 cubic meters of transuranic waste to WIPP, subject to receiver site availability.
- Ship 35,000 cubic meters of low-level waste and 3,600 cubic meters of low-level mixed waste for disposal, subject to receiver site availability.
- Start 903 Pad remediation.
- Continue deactivation and decontamination and decommissioning (D&D) activities in Buildings 371, 707, 771, and 776/7.
- Accelerate closure, D&D, and demolition of facilities, some nuclear and some non-nuclear, in accordance with the intent of the Closure Contract.

#### **Expected negative impacts at the projected 2003 level of funding of \$664M:**

- The FY 2003 Budget Request for Rocky Flats supports the scope planned in the Closure Project Baseline. Because of continued heightened security requirements and potential non-availability or delay in availability of receiver sites, we may not be able to accelerate the demolition of former plutonium, uranium, and beryllium fabrication facilities. Accelerating the demolition of these facilities decreases the risk of these facilities going on the critical path for site closure.
- Additionally, availability of receiver sites, and the timing of that availability, could impact our ability to accomplish the above goals for FY 2003.

### National Nuclear Security Administration

### Nevada Operations Office (NNSA/NVO)

### Low Level Mixed Waste MOA Pre-payment for disposal capacity

#### **Brief Description:**

- The Rocky Flats Environmental Technology Site (RFETS) was identified by the Nevada Test Site (NTS) as a funding support source for permitting and preparation of the NTS Mixed Low Level Waste (MLLW) disposal facility that would allow acceptance of off-site MLLW by Fiscal Year 2003. RFETS entered into a Memorandum of Agreement August 8, 2001, with the NNSA/NVO July 8, 2001, to provide an advance waste disposal payment of \$600,000 in FY 2001, and \$350,000 in FY 2002 to complete the permitting process and construct the MLLW disposal facility located on the NTS. The waste disposal payment was based upon an expected minimum disposal quantity of 100,000 cubic feet at a planned disposal fee. The NNSA/NVO, in turn, agreed to provide disposal services to DOE/Rocky Flats in an amount equal to the advance waste disposal payment for waste shipments received beginning in FY 2003. The NNSA/NVO requested sufficient additional funds in its FY 2003 EM budget to provide these waste disposal services to DOE/RF. If the NNSA/NV EM budget does not cover these services, NNSA/NVO states they will not be able to honor the MOU and provide the prepaid capacity. DOE/RF would then be forced to use other RF funding in FY 2003 to pay again the disposal fee for either MLLW or Low Level Waste (LLW).
- In addition, NTS projected inability to receive LLW is impacting Oak Ridge's ability to meet commitments to their regulators, thus making Oak Ridge's regulators reluctant to approve the shipment of TSCA waste from Rocky Flats to Oak Ridge for treatment.

#### **Current Status:**

- NNSA/NVO is currently the highest volume and most important disposal site for Rocky Flats LLW, and will be a critical Site for MLLW disposal when the RCRA LLMW permit is final.
- RF plans to ship 23K cubic meters of LLW in FY02.
- RF plans to ship 35K cubic meters of LLW in FY03.

#### **Milestones:**

- RCRA Part B Permit allowing mixed waste expected final in FY03.
- FY03 and FY04 are critical shipping years for RF closure.

#### **Top-to-Bottom References**

- Issue #2 Managing Waste to Reduce Risk – inability to ship LLW and MLLW to NTS will eventually increase clean up costs at Rocky Flats due to the need to manage an increased amount of waste stored on-site awaiting an off-site disposal site.
- Issue #3 Developing a Programmatic Strategy for Accelerating Site Closure – inability to ship MLLW to NTS will lead sites to develop a fragmented approach to MLLW, resulting in a costly duplication of effort and assignment of priorities on a local rather than a national level.
- In addition, the NNSA/NVO inability to fund MLLW disposal does not meet priority #8 (get wastes to disposal facilities quickly) identified in the EM-1 memorandum to ME-1, dated November 19, 2001, discussing Environmental Management priorities.

**Sensitivities:** None.

### SNM Shipping

#### Description:

Removal of special nuclear material (SNM) is a critical activity in achieving RFETS closure schedule and cost targets. The latest date for the start of SNM shipments and preservation of the project schedule target is March 2002; provided that shipments are continued at a rate of 8 SSTs per month. The start date is in jeopardy because of several key issues:

- *A certification for the DT-22 shipping container is required to utilize this container for shipment of 286 plutonium-contaminated and plutonium-bearing items to SRS and LLNL. This certificate is needed by the end of February 2002.*

**NOTE: COMPLETED IN JANUARY.**

- A safety analysis is needed by April 2002 to use the DT-22 for shipment of 125 plutonium items to SRS and LLNL.
- The first SSTs of a committed 8 per month need to be provided to the Site by the first week in March.
- The cancellation of the planned plutonium immobilization facility limits shipment of plutonium materials to SRS to that which is currently acceptable for MOX, thereby resulting in a significant quantity of plutonium metal and oxide for which a receiver site and disposition path must be identified.
- In order to minimize the amount of material that must be packaged in 3013 containers, DOE Headquarters and the Site are considering shipment of additional low-purity oxide materials to WIPP. Implementation would require NEPA determinations to cover shipment of the additional low-purity oxide material to WIPP.

#### Current Status:

- The specification for material that is acceptable for shipment to SRS for conversion to MOX has not yet been finalized. Based on current information, a portion of the material already packaged in 3013 containers may not be acceptable for shipment to SRS.
- Limiting shipments to SRS to material that is only acceptable for MOX places further emphasis on resolving the NEPA issues. While the quantity of oxide being evaluated for shipment to WIPP currently is 1300 kg, cancellation of the immobilization facility could result in an increase in this quantity up to 3130 kg. Any quantity over the 1300 kg will significantly impact the cost and schedule of the Closure Project. Projected estimates, based upon middle ground NEPA determination assumptions are \$100M in additional closure cost and a delay of one year. In the event that these decisions are delayed, the target cost and schedule would be significantly affected.

#### Milestones

- Removal of IAEA oversight from plutonium oxide materials, March 2002.
- NEPA determination of acceptability to send 1300kgs of plutonium oxides to WIPP, January 2002.
- NEPA determination of acceptability to send higher purity plutonium materials to the MOX, February 2002.
- Thirty-day notification of each plutonium shipment to Congress required by 2002 authorization language.
- Plan for the disposition of surplus defense plutonium due to Congress February 1, 2002.
- NEPA determination to establish plutonium material specifications for MOX and disposal pathway for remaining plutonium materials, June 2002.
- Multiple transportation container approval and supply issues for the shipment of SNM parts.

#### Top to Bottom References

- Issue #5 Safeguards and Security: Reducing the Threat at EM Sites – Special Nuclear Material remaining at Rocky Flats longer than necessary is not optimum for safety and security and increases the baseline cost of operating the site.
- Issue #10 Packaging and Transportation to Support Accelerated Risk Reduction – current packaging and transportation policies and procedures are delaying the removal of the material from Rocky Flats, causing increased costs and delaying risk reduction. In addition, the lack of organizational responsibility and accountability for packaging and transportation has resulted in long delays in package certification (e.g., 9975, DT22), which in turn has caused delays in the removal of materials from sites. The inability to predict when certified containers will be available makes it difficult to schedule SSTs and to negotiate shipments with states.

#### Sensitivities

- The New Mexico Congressional delegation is concerned with the disposition of additional plutonium at WIPP.
- If there are cost and schedule impacts, the contractor will request an equitable adjustment resulting in an increase to target cost and target schedule.

# Total Project Report **RFFO RFETS**

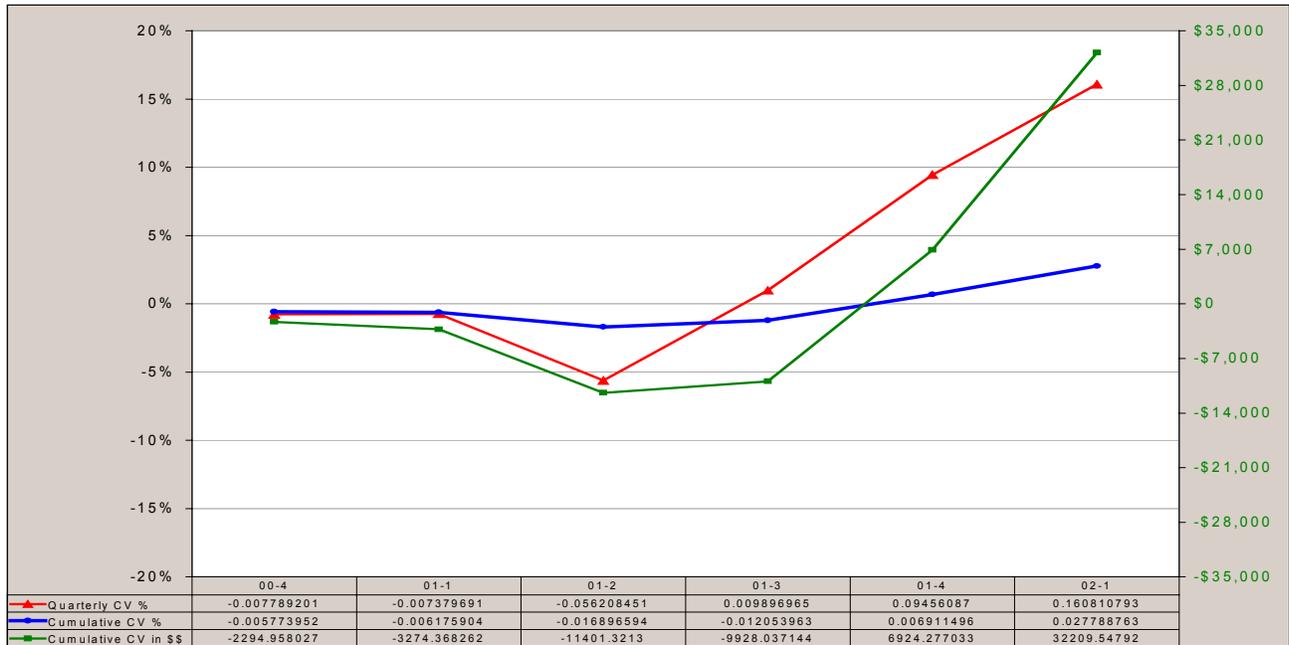
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## Appendix D

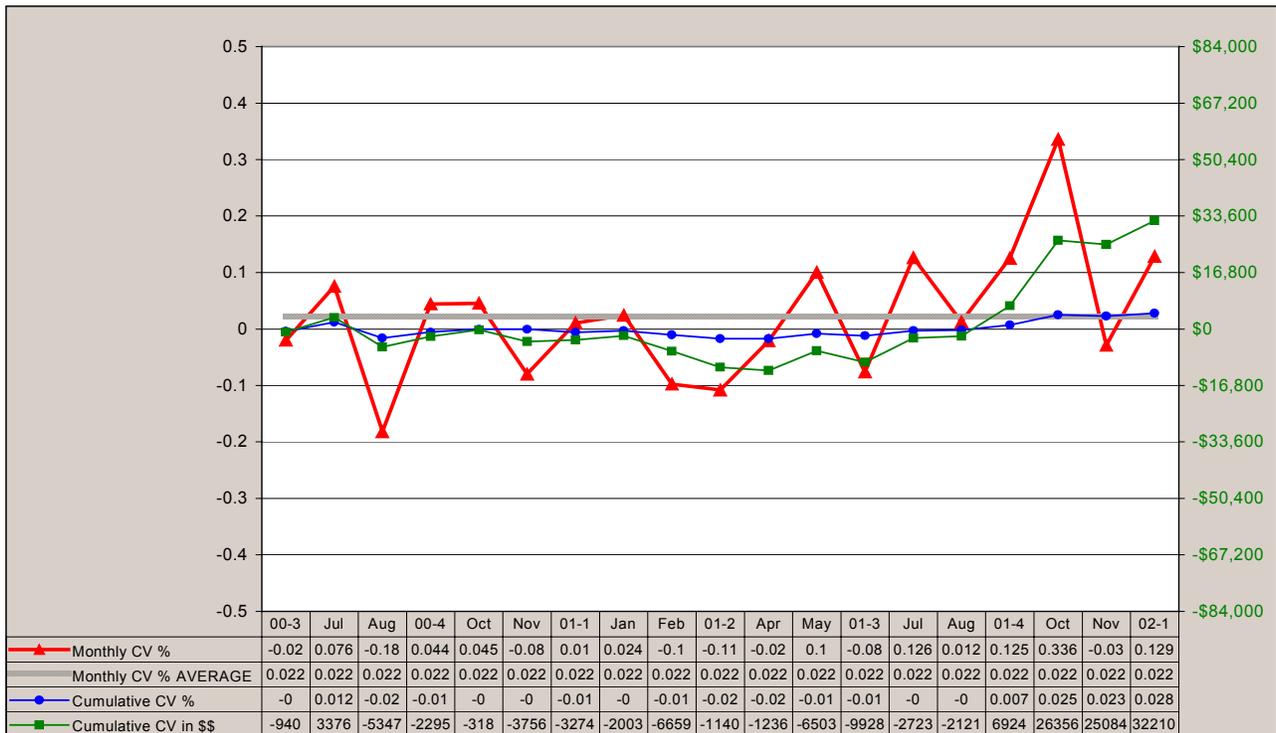
### Cost Variance Trending

The following charts depict Project cost variance trends by quarter and monthly as referenced in the Cost section of the Executive Summary.

#### Quarterly CV



#### Monthly CV



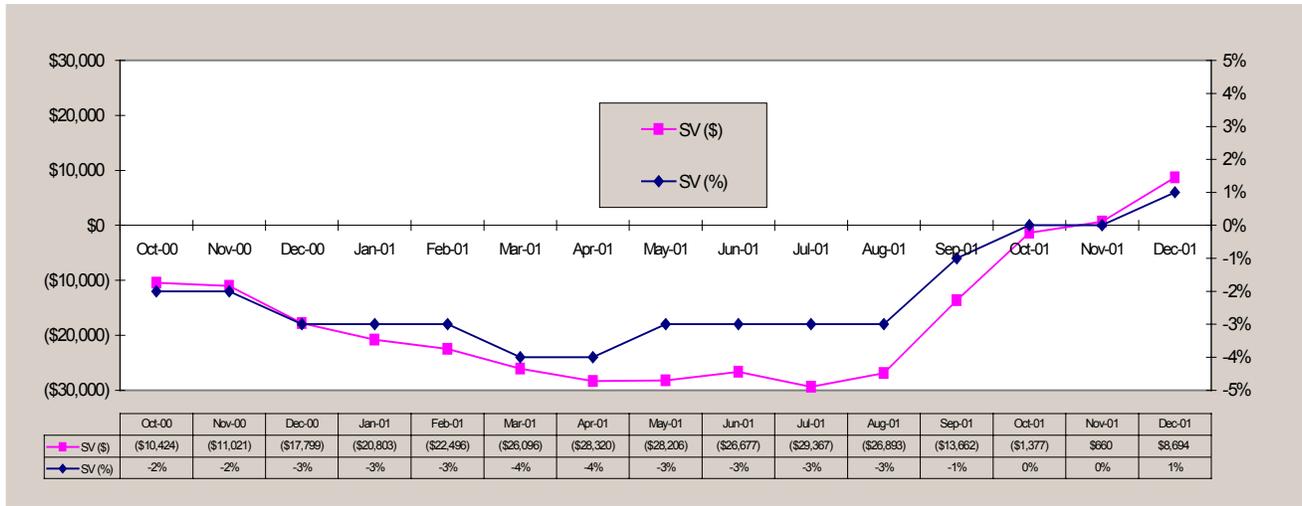
### Other Schedule Performance Indicators

The following charts depict Project schedule variance metrics used to evaluate K-H schedule performance as referenced in the Schedule section of the Executive Summary.

#### Traditional Schedule Variance

SV\$: +\$8.7M SV%: +1%, improving trend

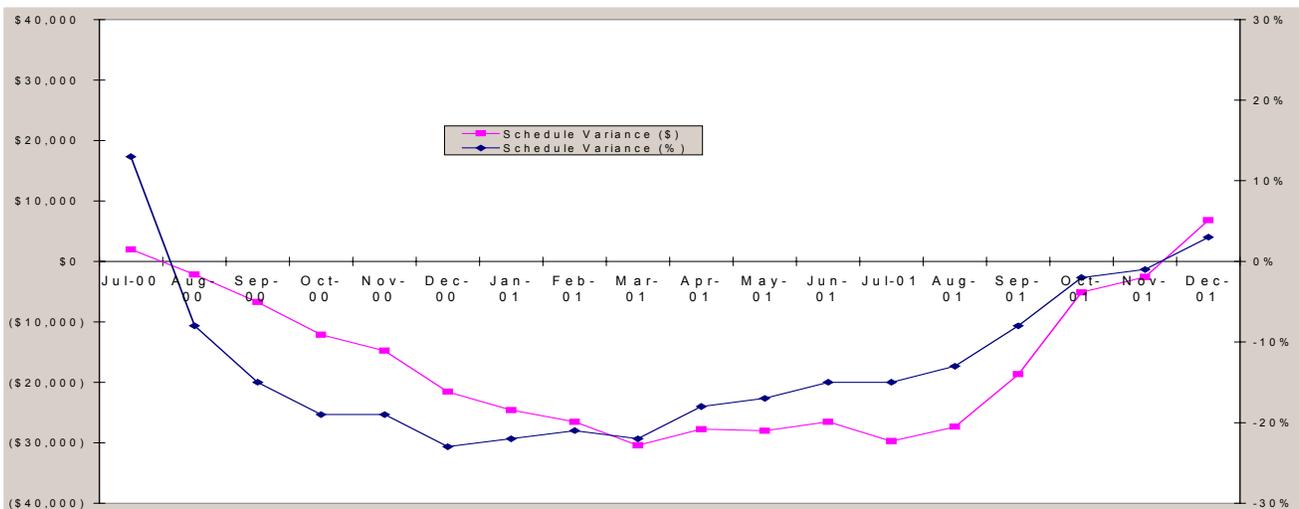
Traditional Schedule Variance (SV) for target activities went from -\$26.7M and -3% in June 2001 to -\$13.7M and -1% in September 2001.



#### Modified Milestone Schedule Variance

SV\$: +\$6.8M SV%:+3%, improving trend

The RFFO has developed a measure of schedule performance called the Modified Milestone SV. This measure takes all level of effort activities and pre-May 25, 2000 activities out of the SV calculation, and adds non-target, EW40 Technology Development milestones. The activities that remain use the traditional method (percent complete of each activity or milestone) to determine earned value. The current Budgeted Cost of Work Scheduled (BCWS) for these modified milestone activities is \$268M, and the life cycle BCWS for these activities is \$1.581 billion (B). The Modified Milestone SV went from -\$18.7M (-8%) in September 2001 to +\$6.8M (+3%) in December. The change in this indicator is due mostly to improvement in the schedule performance in the Industrial and Site Services Project. About 17% (\$268M/\$1,581M) of the modified milestone activities were scheduled to be complete at the end of 1QFY02, and 17.4% (\$275M/\$1,581M) of the modified milestone activities were completed.



# Total Project Report **RFFO RFETS**

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## Appendix E CONTINUED

### P3 Completion

Estimated Completion Date: 12 December 2006

The K-H generated Estimated Completion Date (ECD) from the P3 schedule. A few of the Project end dates have fluctuated in the last quarter. Examples of the fluctuation include the closure project end date changing by 6 months for PBD D, Building 776/777 Closure Project. RFFO does not understand why the end dates are fluctuating and will analyze these fluctuations over the next several months.

PBD	Activity Description	Baseline Early Finish	Current Early Finish
A	B371	11-Oct-06	9-Oct-06
B	B707	13-Mar-06	27-Mar-06
C	B771/774	18-Aug-04	29-Jun-04
D	B776/777	31-Oct-06	20-Feb-06
E	Industrial Sites	11-Oct-06	24-Oct-05
F	Material Stew.	14-Dec-06	12-Sep-06
G	ER	14-Dec-06	12-Dec-06
<b>ALL</b>		<b>14-Dec-06</b>	<b>12-Dec-06</b>

### Schedule Metrics

The positive schedule metrics in B776 Closure Project and the Industrial and Site Services Project are masking negative schedule metrics in the B371 complex Project caused by our continued inability to ship Pu Metals and Oxides to Savannah River. The Critical Path for site closure goes through the B371 Complex Project. Our current inability to ship Pu Metals and Oxides from B371 is projected to be on the Critical Path for site closure sometime this spring, and will potentially impact our Project Closure date.

Project		Traditional SV	PWA SV	MM SV	P3 +/- Days
1A	371 Complex Project	-9%	-19%	-20%	2
1B	707 Complex Project	2%	21%	5%	-9
1C	B771/774 Closure Project	-1%	7%	-5%	35
1D	B776/777 Closure Project	17%	78%	47%	160
1E	Industrial and Site Services Project	13%	0%	89%	220
1F	Material Stewardship Project	-3%	42%	-13%	58
1G	Environmental Remediation	-27%	31%	-33%	2
<b>Total Project:</b>		<b>1%</b>	<b>14%</b>	<b>3%</b>	<b>2</b>