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OFFICE OF RIVER PROTECTION
P.O. Box 450, MSIN H6-60
Richland, Washington 99352

NOV 14 2018

18-ECD-0071

Ms. Alexandra K. Smith, Program Manager
Nuclear Waste Program
Washington State
Department of Ecology
3100 Port of Benton Blvd.
Richland, Washington 99354

Ms. Smith:

NOVEMBER 2018 QUARTERLY REPORT FOR THE STATE OF WASHINGTON VS. U.S. DEPARTMENT OF ENERGY, CASE NO. 08-5085-RMP, FOR WASTE TREATMENT AND IMMOBILIZATION PLANT CONSTRUCTION AND STARTUP ACTIVITIES AND TANK RETRIEVAL ACTIVITIES – JULY 1, 2018, THROUGH SEPTEMBER 30, 2018

This letter transmits the U.S. Department of Energy November 2018 Quarterly Report (Attachment) under Section IV-C-1 of the subject Consent Decree, for the period of July 1, 2018, through September 30, 2018. Pursuant to the Consent Decree, this report provides the status and progress made during the reporting period.

As requested by the Washington State Department of Ecology, copies of the directives given to contractors for work required by the Consent Decree are included in the Attachment.

If you have any questions, please contact Thomas W. Fletcher, Assistant Manager, Waste Treatment and Immobilization Plant Project, (509) 376-4941, or Robert G. Hastings, Assistant Manager, Tank Farms Project, (509) 376-9824.


Brian T. Vance
Manager

ECD:RLE

Attachment

cc: See page 2



65

Ms. Alexandra K. Smith
18-ECD-0071

-2-

NOV 14 2018

cc w/attach:

L.C. Suttora, EM-3
J. Moon, EM-3.31
S.R. Ross, EM-4.31
E.A. Connell, EM-4.4
J.S. Decker, Ecology
J.J. Lyon, Ecology
J.D. McDonald, Ecology
K. Niles, Oregon Energy
M.J. Turner, MSA
J. Atwood, YN
Administrative Record

cc w/o attach:

M. Johnson, CTUIR
S.L. Dahl, Ecology
J.B. Price, Ecology
C.L. Whalen, Ecology
D.R. Einan, EPA
S.E. Hudson, HAB
J. Bell, NPT (Acting)
G. Bohnee, NPT
R. Buck, Wanapum
R. Longoria, YN (Acting)

**Attachment
18-ECD-0071
(42 Pages Excluding Cover Sheet)**

**U.S. Department of Energy, Office of River Protection
Quarterly Report, July 1, 2018, through September 30, 2018, and
Tank Farm / Waste Treatment and Immobilization Plant
Direction Letters**

Office of River Protection Quarterly Report

July 1, 2018, through September 30, 2018¹

Consent Decree, *State of Washington v. Dept. of Energy*, No: 08-5085-FVS (October 25, 2010)

Amended Consent Decree, *State of Washington v. Dept. of Energy*, No: 2:08-CV-5085-RMP
(March 11, 2016)

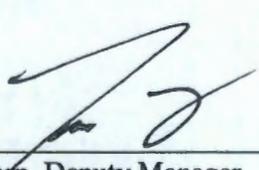
Second Amended Consent Decree, *State of Washington v. Dept. of Energy*,
No: 2:08-CV-5085-RMP (April 12, 2016)²

Third Amended Consent Decree, *State of Washington v. Dept. of Energy*,
No: 2:08-CV-5085-RMP (October 12, 2018)³

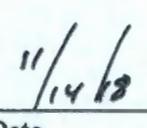


OFFICE OF
RIVER PROTECTION
United States Department of Energy

**2440 Stevens Center Place
Richland, Washington 99352
Office of River Protection**



B.J. Harp, Deputy Manager
Office of River Protection



Date

¹ Except where otherwise expressly stated, the narrative descriptions of progress in this report cover the period from July 1, 2018, through September 30, 2018. Earned Value Management System data and descriptions cover the period ending August 31, 2018.

² The Consent Decree, Amended Consent Decree and Second Amended Consent Decree are between the State of Washington and U.S. Department of Energy. For each of these decrees, there are companion, separate consent decrees with the State of Oregon, as Intervener, under the same case numbers.

³ Although outside of the reporting period, changes related to the October 2018 Third Amended Consent Decree have been included in this report.

Topic	Page
Acronyms and Abbreviations	ii
Introduction.....	1
Tank Farm Actions and Milestones	2
Single-Shell Tank Retrieval Program	3
Tank Waste Retrieval Work Plan Status.....	7
Tank Farm Earned Value Management System Quarterly Analysis	8
Retrieval Labor Hours on Self-Contained Breathing Apparatus	11
Written Directives for Tank Farms	12
Waste Treatment and Immobilization Plant Project	13
Waste Treatment and Immobilization Plant Milestones	15
WTP Earned Value Management System Quarterly Analysis	17
Pretreatment Facility	22
High-Level Waste Facility	27
Low-Activity Waste Facility.....	30
Balance of Facilities.....	33
Analytical Laboratory	36
Written Directives for WTP	38

Acronyms and Abbreviations

BNI	Bechtel National, Inc.
BOF	Balance of Facilities
C#V	ventilation system for potential contamination zones C#
CGD	commercial grade dedication
CV	cost variance
DFLAW	direct-feed low-activity waste
DOE	U.S. Department of Energy
DSA	documented safety analysis
Ecology	Washington State Department of Ecology
EMF	effluent management facility
EVMS	Earned Value Management System
FY	fiscal year
HEPA	high-efficiency particulate air
HLW	High-Level Waste (Facility)
LAB	Analytical Laboratory
LAW	Low-Activity Waste (Facility)
LBL	Low-Activity Waste Facility, Balance of Facilities, and Analytical Laboratory
ORP	U.S. Department of Energy, Office of River Protection
PJM	pulse-jet mixer
PT	Pretreatment (Facility)
SHSV	standard high-solids vessel
SV	schedule variance
USACE	U.S. Army Corps of Engineers
WTP	Waste Treatment and Immobilization Plant

Introduction

The U.S. Department of Energy's (DOE) Office of River Protection (ORP) submits the following information to satisfy its obligation to provide "a written report documenting the WTP construction and startup activities and tank retrieval activities," as required by Section IV-C-1 of the Amended Consent Decree in *State of Washington v. United States Department of Energy*, No: 2:08-CV-5085-RMP (March 11, 2016), Second Amended Consent Decree (April 12, 2016) and Third Amended Consent Decree (October 12, 2018).

Except where otherwise stated, the narrative descriptions of progress in this report cover the period from July 1, 2018, through September 30, 2018. Earned Value Management System (EVMS) data and descriptions cover the period ending August 31, 2018; this includes the facility completion percentage estimates included at various locations in the Waste Treatment and Immobilization Plant (WTP) section.

As the Washington State Department of Ecology (Ecology) has requested, written directives, not previously submitted, for the period addressed by this report for work required by the Amended Consent Decree are included with this report.

Tank Farm Actions and Milestones

Numbers	Titles	Due Date	Status
<i>Actions</i>			
D-16E-01	DOE must purchase by December 31, 2016, a spare E-A-1 ¹ reboiler for the 242-A Evaporator.	12/31/2016	Complete
D-16E-02	Have a spare E-A-1 ¹ reboiler available by December 31, 2018.	12/31/2018	Complete
<i>Milestones</i>			
D-16B-03	“Of the 12 SSTs referred to in B-1 and B-2, complete retrieval of tank waste in at least 5.”	06/30/2021 ²	On Schedule
D-16B-01	“Complete retrieval of tank waste from the following remaining SSTs in WMA-C: C-102, C-105, and C-111.”	03/31/2024	Complete
D-16B-02	“Complete retrieval of tank wastes from the following SSTs in Tank Farms A and AX: A-101, A-102, A-104, A-105, A-106, AX-101, AX-102, AX-103, and AX-104. Subject to the requirements of Section IV-B-3, DOE may substitute any of the identified 9 SSTs and advise Ecology accordingly.”	09/30/2026 ²	Under Analysis ³

¹ The Consent Decrees referred to the 242-A reboiler as “A-E-1”; the correct designation is “E-A-1.”

² Third Amended Consent Decree, *State of Washington v. Dept. of Energy*, No: 2:08-CV-5085-RMP (October 12, 2018).

³ As discussed in the joint motion to amend the Consent Decree filed October 1, 2018, DOE is engaged in ongoing analysis of non-vapors-related retrieval challenges and tank condition issues associated with Tanks A-104 and A-105 (i.e., two of the nine tanks currently specified for retrieval under the B-2 Milestone). These issues are under analysis, and could require issuance of a “serious risk” notice or another request for amendment of the Consent Decree (including the B-2 Milestone). DOE met with the Washington State Department of Ecology on August 30, 2018, to discuss the retrieval challenges and tank conditions issues with Tanks A-104 and A-105.

DOE = U.S. Department of Energy.

SST = single-shell tank.

WMA-C = C Tank Farm waste management area.

Single-Shell Tank Retrieval Program

Quarterly Statement: Tank retrieval activities have complied with milestones already come due as of the date of this report. There are no missed milestones that may affect compliance with other milestones.

On October 1, 2018, the United States and the State of Washington filed a Joint Motion to amend the Consent Decree, along with a proposed Stipulation and Order Modifying the Amended Consent Decree between DOE and the State of Washington in *State of Washington v. Dept. of Energy*, No: 2:08-CV-5085-RMP. The parties requested that the court amend the Amended Consent Decree by extending the completion dates for the B-2 and B-3 milestones. On October 12, 2018, the Court granted the Joint Motion and entered the Third Amended Consent Decree, which extended the B-3 Milestone due date to June 30, 2021, and the B-2 Milestone to September 30, 2026.

Tank Farms Assistant Manager: Rob Hastings⁴

Federal Program Manager: Jeff Rambo

Accomplishments in the Reporting Period

Completed Accomplishments:

- Completed removal of long-length equipment from Tanks AX-104/AX-102:
 - AX04 pit A-R5B pump (moved from under the riser)
 - Shipped the AX02 pit C-R1A P 200 pump
 - Grouted and shipped the AX04 pit B-R14 pump
 - Shipped the AX04 pit 05B pump components to onsite disposal.
- Completed Tank AX-103 pit cleanout of AX03A.
- Completed installation of caustic and water system piping from A Tank Farm fence line to POR496. The caustic and water system piping now extend from the A-285 Building to POR496.
- Completed construction of A Tank Farm exhaustor pads (concrete placement).
- Completed C Tank Farm layup activities:
 - Completed power disconnect and capping of POR107 Exhaustor
 - Completed power disconnect of raw water skid
 - Disconnected 27 electrical skids
 - Completed isolation and layup of the POR357 raw (hot) water skid

⁴ Rob Hasting was named Assistant Manager/Federal Project Director for the Tank Farms Project effective October 1, 2018, replacing Glyn Trenchard.

- Disposal of Tank C-105 hydraulic power units (20)
- Removal of hose-in-hose transfer lines in C Tank Farm and AN Tank Farm
- Disconnected and disposed portable power, heat trace and temperature monitoring, and leak detection systems
- Disconnected high-resolution resistivity-leak detection and monitoring (HRR-LDM) cables inside C Tank Farm.
- Completed riser investigations at Tanks A-101, A-103, A-106, and A-104.
- Completed installation of three boreholes at A-104 and A-105 (approximately 250, 280, and 295 feet deep).
- DOE met with Ecology on August 30, 2018, to discuss the retrieval challenges and tank conditions issues associated with Tank A-104 and Tank A-105. During this discussion, DOE presented a proposal to address the retrieval challenges and tank conditions issues associated with Tank A-104 and Tank A-105.
- Installed POR466 water manifold in AX Tank Farm
- Installed POR412 diversion valve box in AX Tank Farm.

Ongoing Activities:

- Continue riser investigation at Tank AX-101 and Tank AX-103 and abatement of asbestos gaskets
- Continue installation of the electrical infrastructure (power and control systems) inside the AX Tank Farm
- Continue engineering evaluation of the high definition videos of Tank A-104 and Tank A-105
- Continue direct-push sampling of soil at Tank A-104 and Tank A-105 (installation of two additional boreholes)
- Continue installation of caustic and water system piping from POR496 to the AX Tank Farm
- Continue Phase II of the AX-102/AX-104 tanks control trailers installation (POR471 and POR498)
- Continue riser investigation (thermocouple lift tests) at Tanks AX-101 and AX-103
- Continue installation of A Tank Farm ventilation system
- Install structural steel (decks, platforms, rails)
- Install ventilation manifold supports
- Remove thermocouple trees from risers (connections for ventilation system)
- Continue cleanout of Tank AX-101 pit (AX01A), as resources allow

- Continue the AX-102/AX-104 diversion box to splitter box hose-in-hose transfer line installation.

Accomplishments Expected in the Next Reporting Period

- Complete installation of AX-102 pit 02C extended reach sluicer system
- Complete construction of A Tank Farm exhaust manifold pad
- Install A Tank Farm exhausters (POR518 and POR519) on pad
- Complete AX-102 and AX-104 diversion box hose barn installation
- Complete excavation from diversion box to pits 04A, 04B, 04C, and 04D
- Complete AX01A pit cleanout
- Complete conduit installs for east/west electrical system.

Issues Encountered in the Reporting Period

- Reduced worker efficiencies associated with mandatory use of supplied air continued to impact work in the tank farms.
- DOE is engaged in ongoing analysis of non-vapors-related retrieval challenges and tank condition issues associated with Tanks A-104 and A-105 (i.e., two of the nine tanks currently specified for retrieval under the B-2 Milestone)⁵. These issues are under analysis and could require issuance of a “serious risk” notice or another request for amendment of the Consent Decree (including the B-2 Milestone).

Issues Expected in the Next Reporting Period

- Reduced worker efficiencies associated with mandatory use of supplied air are expected to continue to impact work in the tank farms.
- DOE expects to continue analysis of and discussions with Ecology about the retrieval challenges and tank conditions issues associated with tanks A-104 and A-105.

Actions Initiated or Taken to Address Potential Schedule Slippage

- As reported above, on October 1, 2018, the United States and the State of Washington filed a Joint Motion to amend the Consent Decree. On October 12, 2018, the court granted the Joint Motion and entered the Third Amended Consent Decree extending the B-3 Milestone due date to June 30, 2021, and the B-2 Milestone to September 30, 2026.
- Washington River Protection Solutions LLC is continuing to address reduced worker efficiencies by hiring additional personnel such as health physics technicians, industrial

⁵ As discussed in the joint motion to amend the Consent Decree filed October 1, 2018, the U.S. Department of Energy is engaged in ongoing analysis of non-vapors-related retrieval challenges and tank condition issues associated with Tanks A-104 and A-105 (i.e., two of the nine tanks currently specified for retrieval under the B-2 Milestone). These issues are under analysis, and could require issuance of a “serious risk” notice or another request for amendment of the Consent Decree (including the B-2 Milestone). The U.S. Department of Energy met with the Washington State Department of Ecology on August 30, 2018, to discuss the retrieval challenges and tank conditions issues with Tanks A-104 and A-105.

hygiene technicians, and skilled construction workforce to support tank waste retrieval efforts in the A and AX tank farms. These increases may take place through additional hiring or transfers from other onsite contractors; however, there are challenges with availability of certain craft and excess personnel.

Tank Waste Retrieval Work Plan Status

Tank	TWRWP	Expected Revisions	First	Second	Third
AX-101	RPP-RPT-58932, Rev. 1	Complete	Sluicing with ERSS	High-Pressure Water deployed with ERSS	–
AX-102	RPP-RPT-58933, Rev. 1	Complete	Sluicing with ERSS	High-Pressure Water deployed with ERSS	–
AX-103	RPP-RPT-58934, Rev. 1	Complete	Sluicing with ERSS	High-Pressure Water deployed with ERSS	–
AX-104	RPP-RPT-58935, Rev. 1	Complete	Sluicing with ERSS	High-Pressure Water deployed with ERSS	–

ERSS = extended reach sluicer system.
 TWRWP = tank waste retrieval work plan.

Accomplishments in the Reporting Period

- None.

Accomplishments Expected in the Next Reporting Period

- None.

Issues Encountered in the Reporting Period

- None.

Issues Expected in the Next Reporting Period

- None.

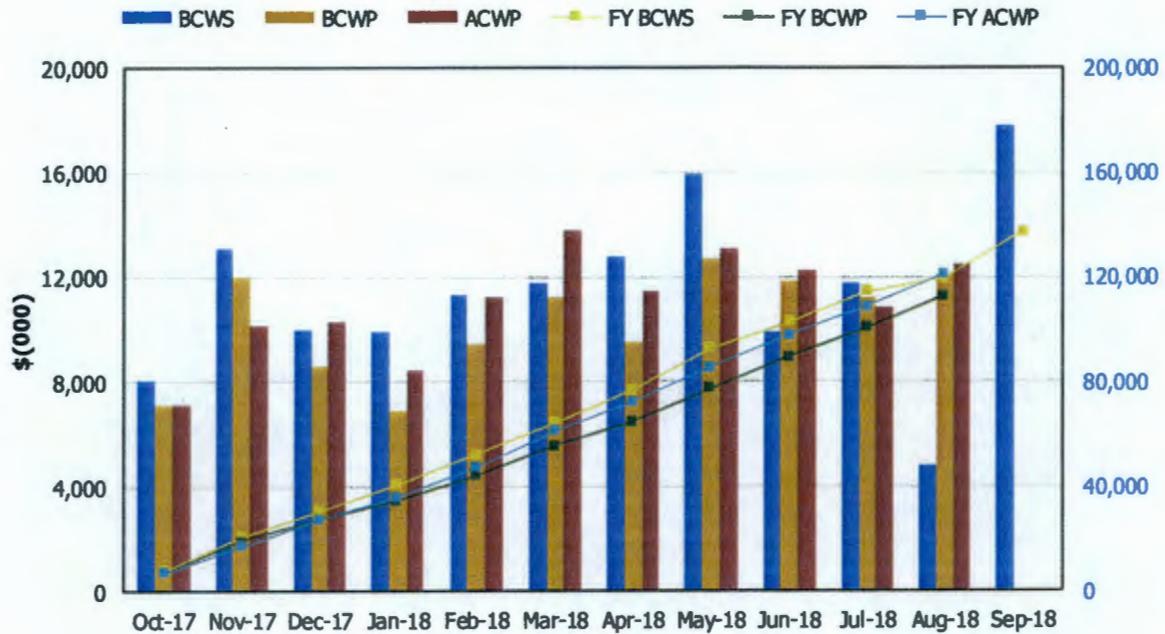
Tank Farm Earned Value Management System Quarterly Analysis

Earned Value Data: Fiscal Year 2018

August-18

Tank Farms ORP-0014
WBS 5.2 - Retrieve and Close SSTs

EVMS Monthly and Fiscal Year Values



Earned Value Month

Month	BCWS	BCWP	ACWP	SPI	CPI	FY BCWS	FY BCWP	FY ACWP	FY SPI	FY CPI
Oct 2017	\$8,053	\$7,119	\$7,127	0.88	1.00	\$8,053	\$7,119	\$7,127	0.88	1.00
Nov 2017	\$13,058	\$11,996	\$10,119	0.92	1.19	\$21,111	\$19,115	\$17,246	0.91	1.11
Dec 2017	\$9,964	\$8,572	\$10,318	0.86	0.83	\$31,075	\$27,686	\$27,563	0.89	1.00
Jan 2018	\$9,940	\$6,911	\$8,464	0.70	0.82	\$41,015	\$34,597	\$36,027	0.84	0.96
Feb 2018	\$11,310	\$9,456	\$11,225	0.84	0.84	\$52,326	\$44,053	\$47,252	0.84	0.93
Mar 2018	\$11,787	\$11,248	\$13,799	0.95	0.82	\$64,113	\$55,301	\$61,051	0.86	0.91
Apr 2018	\$12,763	\$9,509	\$11,495	0.75	0.83	\$76,875	\$64,810	\$72,546	0.84	0.89
May 2018	\$15,972	\$12,694	\$13,076	0.79	0.97	\$92,848	\$77,504	\$85,622	0.83	0.91
Jun 2018	\$9,930	\$11,819	\$12,233	1.19	0.97	\$102,778	\$89,323	\$97,855	0.87	0.91
Jul 2018	\$11,803	\$11,257	\$10,812	0.95	1.04	\$114,581	\$100,580	\$108,667	0.88	0.93
Aug 2018	\$4,836	\$12,075	\$12,438	2.50	0.97	\$119,416	\$112,655	\$121,105	0.94	0.93
Sep 2018	\$17,759					\$137,175				
CTD	\$922,987	\$917,318	\$959,657	0.99	0.96					

- ACWP = actual cost of work performed.
- BCWP = budgeted cost of work performed.
- BCWS = budgeted cost of work scheduled.
- CPI = cost performance index.
- CTD = contract to date.
- EVMS = earned value management system.
- FY = fiscal year.
- SPI = schedule performance index.

Earned Value Management System Quarterly Analysis

Retrieve and Close Single-Shell Tanks (5.02)⁶

Project EVMS reflects data for June 2018, July 2018, and August 2018.

Schedule Variance Summary:

Work completed ahead of the planned schedule is reported as a favorable schedule variance (SV) for the month in which it is completed, but results in an unfavorable SV in the month the work was planned.

For the June EVMS reporting period, a net **favorable** SV of (\$1,888,900) was reported, primarily due to the following:

- Receipt of Ecology's approval of the Waste Management Area C *Resource Conservation and Recovery Act* Field Investigation and Corrective Measures Study reports, without comments, allowed for schedule recovery on completion of those documents. Ecology approved these documents as submitted.
- Schedule recovery on removal of the pump in Tank AX-104 pit B-riser 14. The pump removal had been delayed due to unexpected field conditions, which required engineering evaluation of existing bolts prior to lifting the pump.

For the July EVMS reporting period, a net **unfavorable** SV of (\$546,000) was reported, primarily due to the following:

- Schedule delays in excavation and site preparation at the north section of the SX barrier have occurred due to issues related to self-contained breathing apparatus usage and the requirement for hand excavation due to underground interferences.
- The installation of the Tank AX-102 and Tank AX-104 diversion box has been delayed due to issues with excavation in soil contamination areas associated with the installation of north/south electrical conduit system.

For the August EVMS reporting period, a net **favorable** SV of (\$7,239,000) was reported, primarily due to the following:

- ORP letter 18-TF-0064, "Contract No. DE-AC27-08RV14800 - Tank Operations Contract - Cost Correction from General Plant Project to Expense for Barriers and Exhausters," dated August 2, 2018, requested a change in the funding type for the SX barrier work from General Plant Project to Expense-funded. This change required the creation of new work breakdown structure elements, so that historical costs and planned values could be transferred. This resulted in a current month point adjustment, as the financial systems will not allow changes to previously closed accounting periods.

⁶ "Closure" activities are expressly excluded from the Consent Decree. See 2010 Consent Decree, Appendix C, first paragraph: "Processes not covered by a TWRWP (e.g., tank closure) are not established under this Consent Decree."

Cost Variance Summary:

For the June EVMS reporting period, a net **unfavorable** cost variance (CV) of (\$413,900) was reported, primarily due to the following:

- The use of overtime for the field installation of the south interim SX barrier helped with schedule recovery. The work has been significantly more labor intensive than originally planned due to the quantity of underground utilities, which requires that no machinery be used. Essentially all excavation must be performed by hand with personnel wearing self-contained breathing apparatus.

For the July EVMS reporting period, a net **favorable** CV of (\$444,900) was reported, primarily due to the following:

- The installation of the SX south section barrier gravel base has benefited from the use of grading and compaction equipment.
- Riser investigations at tanks A-101, A-103, A-106, and A-104, finished earlier than planned.

For the August EVMS reporting period, a net **unfavorable** CV of (\$363,000) was reported, primarily due to the following:

- A shortage of construction subcontractor electricians has impacted activity progress. The use of overtime, to minimize schedule impacts, resulted in the unfavorable CV.

Retrieval Labor Hours on Self-Contained Breathing Apparatus

Tank Farms Assistant Manager: Rob Hastings

Federal Program Manager: Jeff Rambo

Labor Hours Expended on Single-Shell Tank Retrieval Self-Contained Breathing Apparatus
 July 1, 2018, through September 30, 2018.

	SCBA Direct Labor Hours	SCBA Subcontractor Hours¹	Total SST Operation Hours	Total Hours²	Total Percent on SCBA	Detrimental Impacts Days³
C Tank Farm	9,702	3,350	13,052	66,460	20%	56
A/AX Tank Farms	1,179	3,350	4,529	92,537	5%	58
Total	10,881	6,700	17,581	158,997	11%	58

¹ Subcontractor hours include labor hours from subcontractors including North Point Electrical Contracting, Inc.; Geophysical Survey, Inc.; Fowler General Construction; American Electric; BNL Technical Services; and Intermech Inc.

² Includes all labor hours supporting SST farms in retrieval including support outside farm fence (Engineering, Project Management, and other support accounts).

³ Detrimental impacts are presented as the number of days in which a stop work related to SCBA use prevented field operations from continuing. It is limited to SCBA stop works only and excludes vapor impacts (i.e., AOP-15 events).

SCBA = self-contained breathing apparatus.

SST = single-shell tank.

Written Directives for Tank Farms

Written directives given by DOE to the Tank Operations Contractor from July 1, 2018, through September 30, 2018, for work required by the Consent Decrees.

Two letters of direction were issued to Washington River Protection Solutions LLC during the reporting period in reference to Contract No. DE-AC27-08RV14800, *Tank Operations Contract*. The letters are listed below and copies are attached:

- 18-TF-0082, “Contract Number DE-AC27-08RV14800 – Modification to Direction to Update Tank Farm Mission Lifecycle Baseline,” dated September 12, 2018.
- 18-TF-0083, “Contract No. DE-AC27-08RV14800 - Tank Operations Contract - U.S. Department of Energy Order 413.3B Chg 5, “Program and Project Management for the Acquisition of Capital Assets”,” dated September 17, 2018.

Waste Treatment and Immobilization Plant Project

Quarterly Statement: The WTP Project has complied with applicable milestones already come due as of the date of this report. There are no missed milestones that may affect compliance with other milestones.

The WTP Project continues to focus on completion of the Low-Activity Waste (LAW) Facility, Balance of Facilities (BOF), and Analytical Laboratory (LAB) (collectively referred to as LBL, including direct-feed low-activity waste [DFLAW] and LBL Facility services).

As of August 2018, DFLAW modifications for the WTP Project were 52 percent complete, engineering design was 85 percent complete, procurement was 50 percent complete, and construction was 38 percent complete. As of August 2018, total LBL facilities were 67 percent complete, engineering design was 91 percent complete, procurement was 81 percent complete, construction was 83 percent complete, and startup and commissioning was 32 percent complete.

Federal Project Director: Tom Fletcher

Deputy Federal Project Director: Vacant

Accomplishments during the Reporting Period:

- DOE received the U.S. Army Corp of Engineers (USACE) report on its parametric analysis of certain options and funding scenarios used to evaluate the potential achievement of the Pretreatment (PT) Facility construction substantially complete milestone (13 years from now) and the High-Level Waste (HLW) Facility construction substantially complete milestone (12 years from now).
- DOE provided a copy of the final USACE report and two Bechtel National, Inc. (BNI) presentations (related to funding needed to meet the milestones for the HLW and PT facilities under certain scenarios) to Ecology on August 13, 2018.
- DOE's Office of Project Management conducted an independent assessment of the USACE report in order to evaluate the assumptions, processes, rationale and conclusions of the USACE report. The Office of Project Management assessment is currently under internal review by DOE management.
- Other significant accomplishments during the reporting period are noted in project reports for the PT Facility, HLW Facility, LAW Facility, BOF, and LAB.

Accomplishments Expected Next Reporting Period:

- DOE will continue its evaluation of the USACE report, the BNI presentations, DOE's Office of Project Management independent assessment of the USACE report, and other relevant information to evaluate DOE's ability to achieve the PT Facility construction substantially complete milestone and the HLW Facility construction substantially complete milestone.

- ORP expects to meet with Ecology on a regular basis to continue to discuss the tank waste treatment mission and high-level waste approaches.
- ORP expects to receive the DFLAW replan schedule with the updated strategy and details meeting the contract milestone and associated internal baseline change proposal from BNI for its consideration and implementation.
- BNI is expected to perform an Integrated Safety Management System Phase 1 review of the commissioning programs. The review will evaluate the documentation, which forms the basis of the programs that will be used to commission WTP.
- Other accomplishments expected in the next reporting period are noted in the project reports for the PT Facility, HLW Facility, LAW Facility, BOF, and LAB.

Issues Encountered during the Reporting Period: (July-Aug-Sept)

- Significant issues encountered during the reporting period are noted in project reports for PT Facility, HLW Facility, LAW Facility, BOF, and LAB.

Issues Expected in the Next Reporting Period: (Oct-Nov-Dec)

- Significant issues expected in the next reporting period are noted in project reports for PT Facility, HLW Facility, LAW Facility, BOF, and LAB.

Waste Treatment and Immobilization Plant Milestones

Milestone	Title	Due Date	Status
Waste Treatment and Immobilization Plant Project			
D-00A-06	Complete Methods Validations	06/30/2032	On Schedule
D-00A-17	Hot Start of Waste Treatment Plant	12/31/2033	Under Analysis ¹
D-00A-01	Achieve Initial Plant Operations for WTP	12/31/2036	Under Analysis ¹
Pretreatment Facility			
D-00A-18	Complete Structural Steel Erections Below Elevation 56' in PT Facility	12/31/2009	Complete
D-00A-19	Complete Elevation 98' Concrete Floor Slab Placements in PT Facility	12/31/2031	Under Analysis ¹
D-00A-13	Complete Installation of Pretreatment Feed Separation Vessels FEP-SEP-O0001A/1B	12/31/2031	Under Analysis ¹
D-00A-14	PT Facility Construction Substantially Complete	12/31/2031	Under Analysis ¹
D-00A-15	Start PT Facility Cold Commissioning	12/31/2032	Under Analysis ¹
D-00A-16	PT Facility Hot Commissioning Complete	12/31/2033	Under Analysis ¹
High-Level Waste Facility			
D-00A-20	Complete Construction of Structural Steel to Elevation 14' in HLW Facility	12/31/2010	Complete
D-00A-21	Complete Construction of Structural Steel to Elevation 37' in HLW Facility	12/31/2012	Complete
D-00A-02	HLW Facility Construction Substantially Complete	12/31/2030	Under Analysis ¹
D-00A-03	Start HLW Facility Cold Commissioning	06/30/2032	Under Analysis ¹
D-00A-04	HLW Facility Hot Commissioning Complete	12/31/2033	Under Analysis ¹
Low-Activity Waste Facility			
D-00A-07	LAW Facility Construction Substantially Complete	12/31/2020	On Schedule
D-00A-08	Start LAW Facility Cold Commissioning	12/31/2022	On Schedule
D-00A-09	LAW Facility Hot Commissioning Complete	12/31/2023	On Schedule

Milestone	Title	Due Date	Status
Balance of Facilities			
D-00A-12	Steam Plant Construction Complete	12/31/2012	Complete
Analytical Laboratory			
D-00A-05	LAB Construction Substantially Complete	12/31/2012	Complete

1 As described in this report, DOE received the U.S. Army Corps of Engineers' final report on its parametric analysis of certain options and funding scenarios used to evaluate the likelihood of achieving PT- and HLW-related milestones. Based on the results of this analysis, DOE considers the milestones for the HLW and PT facilities as "Under Analysis." DOE also considers milestones A-1 and A-17 as being "Under Analysis" because the definition of Section IV-A-2: "Hot Start of Waste Treatment Plant" means the initiation of simultaneous operation of the Pretreatment (PT) Facility, High-Level Waste (HLW) Facility and Low-Activity Waste (LAW) Facility (including as needed the operations of the Analytical Laboratory (LAB) and the Balance of Facilities) treating Hanford tank wastes and producing a waste glass product."

DOE	=	U.S. Department of Energy.	LAW	=	low-activity waste.
HLW	=	high-level waste.	PT	=	pretreatment.
LAB	=	analytical laboratory.	WTP	=	Waste Treatment and Immobilization Plant.

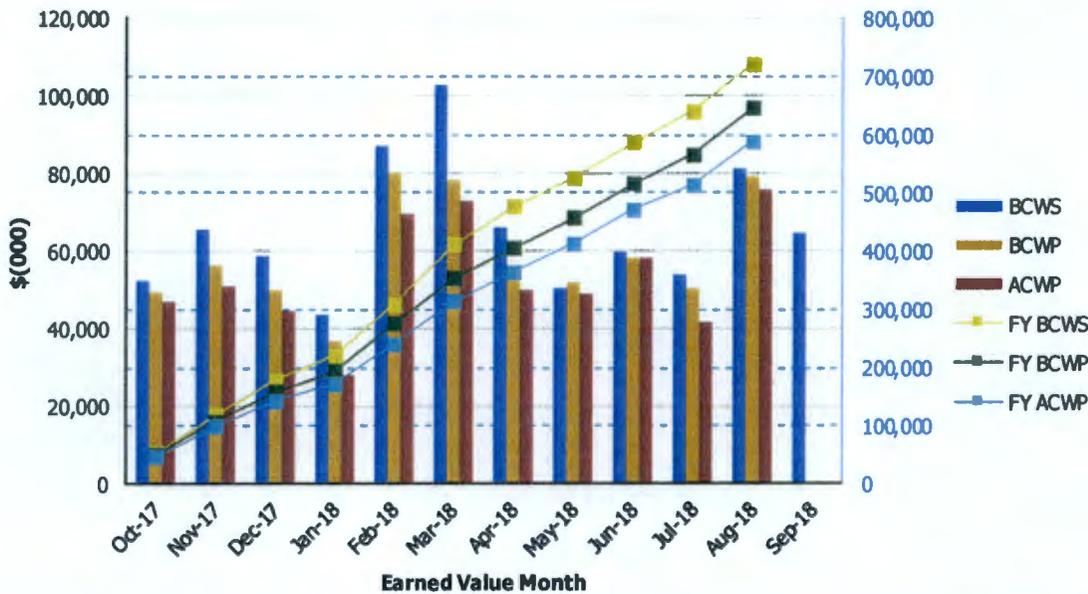
WTP Earned Value Management System Quarterly Analysis
EXC-01a: Fiscal Year Cost and Schedule Report

Data Set: FY 2018 Earned Value Data

Data as of: August 2018

River Protection Project
Waste Treatment Plant (WTP) Project

EVMS Monthly and Fiscal Year Values



Earned Value Month	BCWS	BCWP	ACWP	SPI	CPI	FY BCWS	FY BCWP	FY ACWP	FY SPI	FY CPI
Oct 2017	\$52,662	\$49,804	\$46,894	0.95	1.06	\$52,662	\$49,804	\$46,894	0.95	1.06
Nov 2017	\$65,935	\$56,513	\$51,026	0.86	1.11	\$118,597	\$106,317	\$97,920	0.90	1.09
Dec 2017	\$58,797	\$50,134	\$44,924	0.85	1.12	\$177,394	\$156,452	\$142,844	0.88	1.10
Jan 2018	\$43,622	\$36,665	\$28,076	0.84	1.31	\$221,016	\$193,117	\$170,920	0.87	1.13
Feb 2018	\$86,995	\$80,565	\$69,775	0.93	1.15	\$308,011	\$273,683	\$240,695	0.89	1.14
Mar 2018	\$102,749	\$78,481	\$72,880	0.76	1.08	\$410,760	\$352,163	\$313,575	0.86	1.12
Apr 2018	\$65,995	\$52,537	\$50,050	0.80	1.05	\$476,755	\$404,701	\$363,625	0.85	1.11
May 2018	\$50,537	\$52,199	\$49,027	1.03	1.06	\$527,292	\$456,900	\$412,653	0.87	1.11
Jun 2018	\$59,842	\$58,499	\$58,483	0.98	1.00	\$587,134	\$515,399	\$471,135	0.88	1.09
Jul 2018	\$53,752	\$50,561	\$41,973	0.94	1.20	\$640,886	\$565,961	\$513,108	0.88	1.10
Aug 2018	\$81,376	\$79,255	\$76,035	0.97	1.04	\$722,262	\$645,216	\$589,143	0.89	1.10
Sep 2018	\$64,898									
PTD	\$11,233,856	\$11,103,113	\$10,972,557	0.99	1.01					

ACWP = actual cost of work performed.
 BCWP = budgeted cost of work performed.
 BCWS = budgeted cost of work scheduled.
 CPI = cost performance index.

PTD = project to date.
 EVMS = earned value management system.
 FY = fiscal year.
 SPI = schedule performance index.

Performance Tracking	SV (\$x1,000)	CV (\$x1,000)
Cumulative (through August 2018)	(\$130,744)	\$130,555
Fiscal Year 2018 to-date	(\$77,046)	\$56,073
August 2018	(\$2,120)	\$3,221
July 2018	(\$3,191)	\$8,588
June 2018	(\$1,343)	\$17

SV = schedule variance.

CV = cost variance.

Earned Value Management System Analysis

Schedule Variance Summary:

For the August 2018 Earned Value Management System (EVMS) reporting period, a net **unfavorable** SV of approximately (\$2.1 million) was reported, primarily due to the following:

- DFLAW Construction craft reported an unfavorable SV due to delivery delays with the radioactive Liquid Effluent Retention Facility pipe, modular rack steel, and rack pipe. Increased focus has been put on pipe delivery, with a delivery manager embedded in the vendor shop.
- DFLAW Plant Equipment reported an unfavorable SV due to early and/or late deliveries of the Effluent Management Facility (EMF) prefabricated electrical powerhouse, actuated on/off plug valves, maintenance monorail hoists, EMF vessel vent process system, high-efficiency particulate air filter housings, and chemical storage tanks.
- LAW Facility Construction subcontracts reported an unfavorable SV due to early completion of the truck bay canopy roofing, installation of the carbon dioxide gas system vessel, and installation of insulation.
- LAW Facility Construction craft reported an unfavorable SV due to delays in starting the LAW Facility Documented Safety Analysis (DSA)-related piping, electrical, and design evolution scope. Recovery is planned after release of the engineering design expected by the end of October 2018.
- LBL Plant Management (i.e., commissioning) continued to show an unfavorable SV due to a planned delay of staff increases. LBL staffing needs to support commissioning are being evaluated. The future staffing level of commissioning personnel will be based on the outcomes of the evaluation. This control account will continue to show an unfavorable SV until staffing levels in the budgeting tools are realigned with the commissioning execution plan via the baseline change control process in a replan effort expected to be completed by the end of October 2018.
- BOF Startup reported an unfavorable SV due to delays in starting system testing in the steam plant and the ammonia reagent system and delayed delivery of diesel fuel oil.

For the July 2018 EVMS reporting period, a net **unfavorable** SV of approximately (\$3.2 million) was reported, primarily due to the following:

- LAW Facility Construction craft reported an unfavorable SV due to delays in starting the LAW Facility DSA-related piping, electrical, and design evolution scope. Recovery of this unfavorable SV is planned after release of the engineering design expected by the end of October 2018.
- LAW Facility Construction subcontracts reported an unfavorable SV due to early completion of scheduled work related to the roofing of the truck bay canopy, installation of the carbon dioxide gas system vessel, and installation of insulation.
- DFLAW Construction craft reported an unfavorable SV primarily related to procurement delays with the radioactive Liquid Effluent Retention Facility pipe, modular rack steel, and rack pipe.
- DFLAW Plant Material reported a favorable SV due to increased deliveries of stainless steel pipe in the reporting period. Additional BNI support in the vendor shop has contributed to this favorable SV performance.
- LBL Plant Management (i.e., commissioning) continues to show an unfavorable SV due to a planned delay of staff increases. The LBL staffing needs to support commissioning are being evaluated. The future staffing level of commissioning personnel will be based on the outcomes of the evaluation. This control account will continue to show an unfavorable SV until staffing levels in the budgeting tools are realigned with the commissioning execution plan via the baseline change control process in a replan effort expected to be complete in October 2018.

For the June 2018 EVMS reporting period, a net **unfavorable** SV of approximately (\$1.3 million) was reported, primarily due to the following:

- LBL Plant Management (i.e., commissioning) continues to show an unfavorable SV due to a planned delay of staff increases. The LBL staffing needs to support commissioning are being evaluated. The future staffing level of commissioning personnel will be based on the outcomes of the evaluation. This control account will continue to show an unfavorable SV until staffing levels in the budgeting tools are realigned with the commissioning execution plan via the baseline change control process in a replan effort expected to be complete in October 2018.
- LAW Facility Plant Equipment reported a favorable SV due to vendor completion of final submittals for the ITS Thermal Flowmeter procurement.
- LAW Facility Construction reported an unfavorable SV in construction craft due to unperformed work scope associated with the melter, instrumentation, and design evolution; as well as subcontractor work being completed in prior months ahead of schedule for the roofing of the truck bay canopy, procurement of export bay materials, installation of import bay coiling doors, and installation of insulation and pen seals.
- BOF Startup reported an unfavorable SV due to delays in completing component testing in the glass former storage facility and steam plant facility. In addition, there were delays

in system testing in the cooling tower, flush testing in the steam plant, and the diesel fuel procurement for the steam plant and standby diesel generator facilities. Deliveries of diesel fuel are expected to start in the August/September 2018 timeframe.

- DFLAW Plant Equipment reported a favorable SV due to incorporation of vendor schedule realignment on the EMF pressure vessel (MVSC-00007) procurement.
- DFLAW Construction reported an unfavorable SV in construction craft primarily associated with the intentional deferral of some bulk installation work at the radioactive Liquid Effluent Retention Facility due to higher project priorities. Additional impacts resulting in an unfavorable SV are from procurement delays of EMF modular rack steel delivery, affecting follow-on piping activities.
- HLW Facility Plant Equipment reported an unfavorable SV because completion of the standardized crane and cable reel deliveries are behind schedule.

Cost Variance Summary:

For the August 2018 EVMS reporting period, a net **favorable** CV of approximately \$3.2 million was reported, primarily due to the following:

- LBL Plant Management (i.e., commissioning) continued to report a favorable CV because current spending priorities are different than the existing baseline. Revised commissioning spend plans are currently being developed and will be incorporated in the replan effort expected to be completed by the end of October 2018.
- LAW Facility Startup reported an unfavorable CV due to equipment and component failures, which led to a test pause and retesting.
- BOF Engineering reported an unfavorable CV related to mechanical systems support to Construction exceeding the baseline rates. The punchlist items worked included the functional and pressure testing of systems before turnover to the Startup organization.
- BOF Startup reported an unfavorable CV as actual work effort and scope was greater than the estimated baseline. The basis of the estimate did not include labor-rate variances, the initial component/system test failures/retests, and design modifications.

For the July 2018 EVMS reporting period, a net **favorable** CV of approximately \$8.6 million was reported, primarily due to the following:

- LBL Facility Services reported a favorable CV primarily driven by delayed procurement of the communications system network, now expected between September 2018 and January 2019.
- LAW Facility Engineering reported an unfavorable CV due to design engineering taking longer than originally estimated to complete work associated with more complex scope (e.g., analytical limit calculations).
- LAW Facility, HLW Facility, and PT Facility all reported an unfavorable CV for Plant Equipment as a result of updating previously reported actual cost of work performed for

Washington State sales tax, based on a recently completed evaluation of the actual cost of work performed for equipment sales tax.

- LBL Plant Management (i.e., commissioning) continues to report a favorable CV because current spending priorities are different than the existing plan. Revised commissioning spend plans are currently being developed and will be incorporated in the October 2018 replan effort.

For the June 2018 EVMS reporting period, a net **favorable** CV of approximately \$17,000 was reported, primarily due to the following:

- LBL Facility Services reported an unfavorable CV due to higher than anticipated tool and safety equipment purchases and scaffold setup and tear down. This was offset by a favorable CV resulting from a delay in purchasing the communication system network equipment, now expected in August 2018.
- DFLAW Construction reported a favorable CV due to lower than planned effort in supporting excavation and corrections required due to a controller audit of historical invoices.
- BOF Startup reported an unfavorable CV due to additional effort required to complete component, system, and flush testing related to initial component/system test failures and required design modifications.
- LBL Plant Management (i.e., commissioning) reported a favorable CV because current spending priorities are different than the existing plan. Revised commissioning spend plans are currently being developed and will be incorporated in the October 2018 replan effort.

WTP Project Cumulative through August 2018

The WTP Project is behind the planned work scheduled by approximately (\$130.7 million) through August 2018, but it has cost approximately \$130.5 million less to perform the work than originally estimated. The cumulative-to-date SVs and CVs are reported against the LBL/DFLAW Performance Measurement Baseline.

Note: Because the HLW Facility, PT Facility, and Project Services baselines have not been updated since 2012, the variances for the PT Facility and Project Services are reported against interim 2-year BNI work plans, while the HLW Facility is reported against a 5-year work plan (also referred to as the Internal Forecast).

Pretreatment Facility

Federal Project Director: Tom Fletcher

Facility Federal Project Director: Wahed Abdul

The PT Facility will separate radioactive tank waste into high-level waste and low-activity waste fractions and transfer each waste type to the respective vitrification facility for immobilization. As of September 2012, the PT Facility was 56 percent complete overall, engineering design was 85 percent complete, procurement was 56 percent complete, construction was 43 percent complete, and startup and commissioning was 3 percent complete. The physical percent complete analysis for the PT Facility was frozen in September 2012, pending development of a revised baseline to address technical and design issues.

ORP and BNI continue to work on resolving the remaining technical issues identified in the “Third Order Regarding Motions to Modify Consent Decrees,”⁷ which includes “Ensuring Control of the Pulse Jet Mixers” (i.e., T4 in relation to PJM vessel mixing and control); “Protecting Against Possible Erosion and Corrosion” (i.e., T5 in relation to erosion/corrosion in piping and ancillary vessels); and “Ensuring Ventilation Balancing” (i.e., T8 in relation to facility ventilation/process offgas treatment).⁸

Preliminary engineering work, documented previously in a BNI and ORP study, was completed and demonstrates how the standard high-solids vessel (SHSV) design can be implemented in the PT Facility (i.e., T6 in relation to design redundancy and in-service inspection). The engineering study showed that 16 SHSVs could be incorporated into the PT Facility, while meeting the PT Facility throughput contract requirements. Ecology was briefed on the design concept in February 2018.

Quarterly Statement: There are no missed milestones that may affect compliance with other milestones.

Accomplishments during the Reporting Period:

- BNI has completed deliverables for the technical decision related to vessels and equipment structural integrity (i.e., T7 in relation to seismic ground motion criteria changes around 2005).
- ORP continued to work with BNI on completing documentation for the remaining open technical issues described as T4 and T5.

⁷ *State of Washington v. Dept. of Energy*, No: 2:08-CV-5085-RMP (March 11, 2016) (ECF-221).

⁸ At the outset of U.S. Department of Energy’s identification of the technical issues, the issues were grouped into eight issues. During the litigation, some issues were combined with others creating five groups of issues. Consequently, the descriptions of the issues listed above may be both different by number and somewhat different by description.

- BNI continued to focus on ongoing asset maintenance at the PT Facility to protect equipment and structures and ensure design documents are maintained.

Accomplishments Expected in the Next Reporting Period:

- BNI is expected to issue the calculation to validate the analytical method for requirements verification of installed low solids pulse-jet mixer vessels (i.e., T4 in relation to pulse-jet mixer vessel mixing and control) before the end of 2018.
- ORP will continue discussions with DOE's Office of Environmental Management about the direction to provide BNI regarding engineering, procurement, and construction activities at the PT Facility.
- BNI will continue to focus on ongoing asset maintenance at the PT Facility to protect equipment and structures and ensure design documents are maintained. Work will continue on technical issue resolution.
- BNI is expected to issue an update to the localized corrosion test basis document supporting closure of technical issue T5 and closure of the T5 corrective action plan before the end of 2018.
- ORP anticipates resolution of the remaining technical issues (noted above) with notification to the Defense Nuclear Facilities Safety Board before the end of 2018. The resolution of the technical issues is likely to require significant design changes to the PT Facility.

Issues Encountered during the Reporting Period:

- The PT Facility planned work was reprioritized because of the need for additional resources to support DFLAW/LBL activities. Reduced resources resulted in a slower pace on technical issue resolution related to erosion/corrosion in piping and vessels and progression of the conceptual design incorporating the SHSV test design prototype.
 - *Impact:* Delay in completing PT Facility technical issue resolution and redesign activities.
 - *Actions initiated or taken to address potential project schedule slippage:* ORP is analyzing the potential impacts of continued funding limitations on the WTP Project by considering the USACE parametric analysis, the BNI parametric analysis, the PT Facility workshop discussions, and other inputs, as appropriate.

Issues Expected in the Next Reporting Period:

- The PT Facility planned work will continue to be reprioritized due to increased focus on higher priority DFLAW/LBL activities.
 - *Impact:* The PT Facility redesign is likely to continue to be delayed.

Status of Outstanding WTP Technical Issues

ORP has determined the nuclear safety technical issues, “Preventing Potential Hydrogen Build-Up” (i.e., T1 and T3) and “Preventing Criticality” (i.e., T2) have been sufficiently resolved to allow engineering to proceed in support of design and safety basis development. Work will continue on resolving remaining technical issues, “Ensuring Control of the Pulse Jet Mixers” (i.e., T4), “Protecting against Possible Erosion and Corrosion” (i.e., T5), and “Ensuring Ventilation Balancing” (i.e., T8). Resolution of the remaining technical issues, with notification to the Defense Nuclear Facilities Safety Board, is expected before the end of 2018.

ORP worked with BNI to develop closure packages for each technical issue, defining workscope, required deliverables, and technical issue closure criteria. The status of each of the five technical issues identified in the Third Order Regarding Motions to Modify Consent Decrees is provided below:

- ***Preventing Potential Hydrogen Build-Up:***
 - *Issue:* This issue encompasses two separate but related hydrogen risks:
 - Risk of combustion in vessel headspace due to hydrogen accumulation (i.e., T1).
 - Risk of hydrogen in piping and ancillary vessels that could lead to a hydrogen deflagration or detonation in a piping system (i.e., T3).
 - *Status:*
 - *Hydrogen in Vessels:* As noted in previous quarterly reports, this technical issue has been sufficiently resolved to allow engineering to proceed in support of design and safety basis development.
 - *Hydrogen in Piping and Ancillary Vessels:* As noted in previous quarterly reports, this technical issue has been sufficiently resolved to allow engineering to proceed in support of design and safety basis development.
- ***Preventing Criticality:***
 - *Issue:* A total of 16 Hanford waste tanks may contain plutonium particles of the size and density that makes them prone to settling in a WTP process vessel into a configuration that could result in an inadvertent criticality event (i.e., T2).
 - *Status:* As noted in previous quarterly reports, this technical issue has been sufficiently resolved to allow engineering to proceed in support of design and safety basis development.
- ***Ensuring Control of the Pulse-Jet Mixers (PJM):***
 - *Issue:* Concern with adequacy of PJMs and PJM controls to adequately mix high-solids slurries in PT Facility process vessels (i.e., T4 [“Ensuring Control of the Pulse Jet Mixers”]).

- *Status:*
 - As noted in previous reports, BNI conducted a test program to demonstrate the ability of PJM vessels to adequately mix high-solids slurries in the PT Facility. Results from the first and second phase of PJM control system testing were previously provided. The final phase of PJM control system testing is complete.
 - ORP and BNI identified a proposed PJM mixing SHSV design to replace a number of vessel designs in the PT Facility. A prototype of the 16-foot-diameter SHSV design was commissioned for the final stage of PJM control system testing to support resolution of PJM mixing and control issues applicable to vessels with high-solids concentrations and non-Newtonian slurries. Testing demonstrated the required PJM control parameters and control approach to be used during the qualification of the design for the SHSV implementation. PJM controls testing was completed in April 2017. Mixing testing was completed in September 2017. BNI completed data analysis and documentation for the completed full-scale PJM mixing system testing and the results from the final stage testing are expected to provide the required design and operations information to perform PT Facility design.
- ***Protecting against Possible Erosion and Corrosion:***
 - *Issue:* Uncertainties exist in waste feed characteristics and the ability to meet a 40-year service life; requiring confirmation of the erosion/corrosion design basis, including margin, through testing and analysis (i.e., T5).
 - *Status:*
 - BNI developed an engineering study for jet impingement erosion in PJM vessels.
 - BNI developed an engineering calculation to address localized erosion wear allowance for PJM vessels.
 - Laboratory scale corrosion testing to assess localized corrosion material degradation mechanisms is complete. This testing involved immersion of small metal samples in fluids representing anticipated WTP chemistries. Material degradation mechanisms evaluated included pitting, crevice cracking, and stress cracking.
 - A testing program to provide the technical information to underpin the design basis for erosion and corrosion was implemented.
 - A WTP basis of design change notice establishing the erosion/corrosion basis of design parameters was issued.
 - A pipe loop test platform to evaluate wear in piping is complete and the test plan is in final development. Additional assessments are being made to determine how much of this testing is required.
 - BNI is expected to issue an update to the localized corrosion test basis document supporting closure of technical issue T5 and closure of the T5 corrective action plan before the end of 2018. Comment resolution on the T5 corrosion test report has taken longer than expected.

- ***Ventilation System:***

- *Issue:* There are multiple technical challenges associated with the PT Facility ventilation system, including cascading airflows from lower to higher contaminated areas and performance of high-efficiency particulate air (HEPA) filters (i.e., T8).
- *Status:*
 - Resolution of this technical issue required completing engineering/nuclear safety assessments to ensure the PT Facility ventilation system meets performance requirements, which was completed following completion of PJM testing and its ventilation demands.
 - Testing of HEPA filters to ensure filters can withstand environmental conditions and loading during normal and off-normal operating conditions is complete. HEPA filter design and qualification testing have been performed and reported under the HLW Facility project. Several filter designs were under consideration for testing and qualification. One of the filter designs has successfully completed Nuclear Quality Assurance-1 qualification testing at Mississippi State University for all WTP normal and abnormal conditions. Based on the successful filter design bounding all WTP normal and abnormal conditions, it was concluded that alternative filter designs and testing were not required. The final test report was issued in September 2017.

High-Level Waste Facility

Federal Project Director: Tom Fletcher

Facility Federal Project Director: Wahed Abdul

The HLW Facility will receive the separated high-level waste concentrate from the PT Facility. This concentrate will be blended with glass formers, converted into molten glass in one of the two HLW Facility melters, and then poured into cylindrical stainless steel canisters. After cooling, the canisters will be sealed and decontaminated before shipping to interim storage.

As of September 2012, the HLW Facility was 62 percent complete overall, engineering design was 89 percent complete, procurement was 81 percent complete, construction was 43 percent complete, and startup and commissioning was 4 percent complete. The physical percent complete analysis for the HLW Facility was frozen in September 2012, pending development of a revised baseline to address technical and design issues.

Work on the HLW Facility was performed in accordance with the fiscal year (FY) 2017 through FY 2021 Interim Work Plan, which resulted in work primarily associated with asset maintenance and key ongoing procurement activities. With the receipt of increased funding in FY 2018 (noted below), additional engineering workscope is being performed and planned for FY 2019 in anticipation of receiving engineering resources from DFLAW/LBL activities.

Quarterly Statement: There are no missed milestones that may affect compliance with other milestones.

Accomplishments during the Reporting Period:

- In accordance with the additional funding received for the HLW Facility in the *Consolidated Appropriations Act, 2018*, ORP and BNI updated the system design descriptions and incorporated design changes resulting from the updated HLW Facility Preliminary DSA.
- BNI established a plan to continue development of limited engineering design products for FY 2019 based on carry-over funding from the HLW Facility in the *Consolidated Appropriations Act, 2018*, for which ORP has concurred. In addition, long-range planning in preparation for a rebaselining effort and the release of critical and long-lead procurements continued.
- BNI continued to focus on ongoing asset maintenance at the HLW Facility to protect equipment and structures and ensure design documents are maintained.
- BNI continued fabrication of RLD-7 and RLD-8 vessels to support expected delivery early in 2019. These vessels are to be installed in the wet process cell to allow concrete slab placement above the wet cell. This activity supports roof installation and building enclosure.

Accomplishments Expected in the Next Reporting Period:

- In accordance with the additional funding received for the HLW Facility in the FY 2018 congressional appropriation (noted above), BNI will continue to ramp-up engineering design activities on key mechanical and process systems for the HLW Facility in FY 2019 utilizing the carry-over of additional funds received in the FY 2018 appropriation. Engineering resources from DFLAW/LBL modifications, if available, will be transitioned to support production engineering efforts for the HLW Facility.
- BNI will continue to focus on ongoing asset maintenance at the HLW Facility to protect equipment and structures and ensure design documents are maintained.
- BNI will continue to update its long-range planning documents to support a future rebaseline effort as resources become available.

Issues Encountered during the Reporting Period:

- The HLW Facility planned work has been reprioritized because of the need for additional resources to support DFLAW/LBL activities. Reduced resources resulted in limited engineering assets to perform production work and in construction curtailment. Reprioritizing work activities impacted design and construction such that installation of roofing and siding on the facility was delayed.
 - *Impact:* Delay in completing HLW Facility redesign activities.
 - *Actions initiated or taken to address potential project schedule slippage:* In accordance with the additional funding received for the HLW Facility in the *Consolidated Appropriations Act, 2018*, enacted on March 23, 2018, ORP and BNI have developed a plan for additional activities for the HLW Facility in FY 2018 and FY 2019. Engineering resources from DFLAW/LBL modifications will be transitioned to support production engineering efforts for the HLW Facility as they become available.

Issues Expected in the Next Reporting Period:

- The HLW Facility planned work is expected to continue to be reprioritized due to increased focus on higher priority DFLAW/LBL activities. Engineering resource issues are expected to continue in the next reporting period.
 - *Impact:* The HLW Facility redesign will progress only to the extent that additional funding and engineering resources allow.
 - *Actions initiated or taken to address potential project schedule slippage:* As discussed above, ORP and BNI have developed a plan for additional HLW Facility activities, in accordance with the additional funding received for the HLW Facility in the *Consolidated Appropriations Act, 2018*. ORP and BNI expect to continue implementing that plan in the next reporting period.
- BNI and ORP will continue seeking and transitioning engineering resources to support HLW Facility engineering restart.

- ORP is analyzing the potential impacts of continued funding limitations on the WTP Project by considering the USACE parametric analysis, the BNI parametric analysis, the HLW Facility workshop discussions, and other inputs, as appropriate.

Low-Activity Waste Facility⁹

Federal Project Director: Tom Fletcher

Facility Federal Project Director: Wahed Abdul

The LAW Facility will process concentrated low-activity waste, which will be mixed with silica and other glass-forming materials. The mixture will be fed into the LAW Facility's two melters at a design capacity of 30 metric tons per day, heated to 2,100°F, and vitrified into glass. The 300-ton melters are approximately 20 feet by 30 feet and 16 feet high. The glass mixture will then be poured into stainless steel containers, which are 4 feet in diameter, 7 feet tall, and weigh more than 7 tons. These containers are anticipated to be disposed of on the Hanford Site in the Integrated Disposal Facility.

As of August 2018, the LAW Facility was 73 percent complete overall, engineering design was 92 percent complete, procurement was 86 percent complete, construction was 94 percent complete, and startup and commissioning was 24 percent complete.

Quarterly Statement: There are no missed milestones that may affect compliance with other milestones.

Accomplishments during the Reporting Period:

- ORP completed walkdowns and review of the BNI supporting documentation for validation of BNI's completion of the Interim Contract Milestone A-5, "Final LBL Physical Plant Complete."
- ORP completed validation review of BNI's declaration of Interim Contract Milestone A-5, "Final LBL Physical Plant Complete," and issued a response to BNI on August 13, 2018, verifying satisfactory completion of all required construction and resolution of all identified issues. Completion of Interim Contract Milestone A-5 was determined to be July 13, 2018.
- BNI Construction completed the 3-week walkdowns before turning the following systems and building areas over to the Startup organization:
 - Process control System (PCJ-L-02)
 - B20-L-06 (LAW Facility annex)
 - Plant cooling water systems (PCW-L-03, PCW-L-04, and PCW-L-05)
 - B24-L-01 (Building 24)
 - Radioactive liquid waste disposal system (RLD-L-01).
- BNI Construction completed turnover of the following LAW Facility systems over to the Startup organization:
 - Facility network infrastructure system (FNJ-L-01)

⁹ Information about the related Low-Activity Waste Pretreatment System and tank-side cesium removal is included in the monthly reports submitted under the *Hanford Federal Facility Agreement and Consent Order* (also known as the Tri-Party Agreement or TPA).

- Low voltage electrical system (LVE-L-02)
- Uninterruptible power electrical system (UPE-L-01)
- Chilled water system (CHW-L-01)
- Process control system (PCJ-L-04)
- Fire detection and alarm system (FDE-L-01)
- Ammonia reagent system (AMR-L-01)
- Chilled water system (CHW-L-03).
- BNI's Startup organization accepted turnover of the following LAW Facility systems from the Construction organization:
 - Process control system (PCJ-L-02)
 - Low-voltage electrical system (LVE-L-03)
- BNI Construction installed the uninterruptible power electrical transformers in the battery room.
- BNI awarded the procurement for the melter system crush pads.
- BNI awarded the procurement for the flow instruments purchase order.
- BNI awarded the first procurement for the communications electrical system.

Accomplishments Expected in the Next Reporting Period:

- BNI will continue to develop a modified program for performing commercial grade dedication (CGD) to better align with the approved LAW Facility DSA. Currently, the pilot program is being reviewed on sample equipment before full implementation expected by the end of October 2018.
- BNI Construction is expected to complete 3-week walkdowns for systems and building areas before turning the following systems and building area over to the Startup organization:
 - LAW Facility melter handling system (LMH-L-01)
 - LAW Facility melter equipment support handling system (LSH-L-01)
 - Process and mechanical handling of closed-circuit television system (PTJ-L-01)
 - Radioactive solid waste handling system (RWH-L-01).
- BNI's Startup organization expects to accept turnover of the following systems and building areas from the Construction organization:
 - B20-L-07 (Building 24)
 - LAW Facility container receipt handling system (LRH-L-01)
 - LAW Facility container finishing handling systems 1 and 2 (LFH-L-01 and LFH-L-02)
 - C5 ventilation system (C5V-L01)
 - Plant cooling water systems (PCW-L-03, PCW-L-04, and PCW-L-05)

- Glass formers reagent system (GFR-L-01)
- Mechanical handling control system (MHJ-L-01)
- LAW Facility melter handling system (LMH-L-01)
- Autosampling system (ASX-L-01).
- BNI is expected to receive the following procurements from various vendors:
 - Gas cylinder enclosures/bottle relocation passive safety analyzers
 - Process gas analyzers and continuous emissions monitoring system
 - Safety-significant function temperature elements
 - Instrument tube fittings
 - Pressure safety valve for sodium hydroxide reagent system
 - Input switchgear cabinets for melter power supply
 - Refurbished LAW Facility melter 1 power supply.

Issues Encountered during the Reporting Period:

- The concern with BNI's CGD Program noted in previous reports remains an issue for the WTP Project.
 - *Impact:* Deficiencies in BNI's CGD Program may put some of the equipment purchased for the LAW Facility at risk, including equipment that performs a specific safety function in the LAW Facility.
 - *Actions expected to be initiated or taken to address potential project schedule slippage:*
 - Updated CGD plans are being developed to streamline the CGD verification of equipment to ensure it meets the updated safety function requirements in the LAW Facility DSA.
 - Material requisitions with vendors are in the process of being revised or reestablished to incorporate the updated safety function requirements in the LAW Facility DSA.
 - CGD plans produced by both vendors and WTP are in the process of being updated; additional documentation and testing may be required to meet the updated safety function requirements in the LAW Facility DSA.

Issues Expected in the Next Reporting Period:

- The concern with BNI's CGD Program (described above) is expected to remain an issue in the next reporting period.
 - *Actions expected to be initiated or taken to address potential project schedule slippage:* ORP expects to continue to implement the actions described above to address potential project slippage related to BNI's CGD Program.

Balance of Facilities

Federal Project Director: Tom Fletcher

Facility Federal Project Director: Jason Young

BOF will provide services and utilities to support operation of the main production facilities: PT, HLW, LAW, and LAB. As of August 2018, BOF was 74 percent complete overall, engineering design was 93 percent complete, procurement was 87 percent complete, construction was 83 percent complete, and startup and commissioning was 48 percent complete. Design of EMF was 93 percent complete.

BNI Engineering efforts are focused on completion of the EMF design, supporting EMF procurement activities, and providing field support for BOF startup activities. BNI Construction is focused on the installation of pipe rack; piping; heating, ventilation, and air-conditioning ducting; and cable tray within EMF. In parallel, BNI Construction is preparing for a significant number of equipment lifts at EMF. Startup testing for BOF systems remains focused on the cooling tower facility medium-voltage cooling water pumps and major equipment in the chiller compressor and steam plants.

The BOF systems are designed to support operation of the entire WTP, and construction is complete for the majority of BOF systems. To improve operational flexibility and support WTP operations in a DFLAW configuration, additional construction and facility modifications are required. Operational flexibility improvements to the BOF include:

- Design and construction of an EMF to concentrate effluents from the LAW Facility, allow transfer of secondary effluent stream to the Liquid Effluent Retention Facility/Effluent Treatment Facility, and provide a low-point drain for potential contaminated systems during DFLAW operations.
- Addition of a fourth rotary screw air compressor to the chiller compressor plant and piping reconfigurations to optimize operations at a reduced facility output level.
- Modifications to steam plant piping and equipment to optimize operations at a reduced facility output level.
- Construction of a fenced area to separate the portion of WTP actively operating in a DFLAW configuration from construction activities for the HLW and PT facilities.
- Improved isolation capabilities for BOF systems to maintain safe control and isolation within the DFLAW operations area.

Quarterly Statement: There are no missed milestones that may affect compliance with other milestones.

Accomplishments during the Reporting Period:

- BNI received approval for the EMF equipment group III permit modification.

- BNI completed installation of the stainless steel liner plate for the EMF evaporator feed vessel area.
- BNI completed application of protective coatings for the EMF evaporator (C5) area.
- BNI completed placement of racks 1 and 4 for the EMF C5 area.
- BNI completed placement of rack 2 for the EMF secondary reboiler and condenser (C3) area.
- BNI completed the installation of structural steel to support the roof of the EMF C3 area.
- BNI assembled a large section of the roof structure for the EMF C3 area off-footprint to facilitate improvement of the installation schedule.
- BNI completed installation of the grillage and stainless steel liner plate for the low-point drain vessel area.
- BNI initiated protective coatings application for the low-point drain vessel area.
- BNI completed placement of the footings for the EMF powerhouse.
- BNI relocated the Demag crane in preparation for rack, vessel, and roofing placements.
- BNI completed protective coatings application for the EMF processing building.
- BNI completed refurbishment of the standby-diesel generator motor and generator set and returned it to the construction site.
- BNI completed turnover of the steam plant high-pressure steam (HPS-B-01) system for startup testing.
- BNI completed turnover of the ammonia reagent (AMR-B-01) system for startup testing.
- BNI completed turnover of the glass former (GFR-B-01) system for startup testing.
- BNI continued installation of the waste transfer line between the LAW Facility and EMF.
- BNI transferred operational custody of the WTP main switchgear building to the Plant Management organization.
- BNI transferred operational custody of the BOF switchgear building to the Plant Management organization.
- BNI transferred operational custody of the water treatment building to the Plant Management organization.

Accomplishments Expected in the Next Reporting Period:

- BNI is expected to complete installation of an equipment support platform in the EMF evaporator feed vessel area.
- BNI Construction is expected to place the EMF reboiler in the EMF C5 area.
- BNI Construction is expected to place the EMF evaporator and tower assembly.
- BNI Construction is expected to place the EMF secondary reboiler in the C3 area.

- BNI Construction is expected to place the roof assembly over the EMF C3 area.
- BNI Construction is expected to complete the weathering in of the EMF C3 area.
- BNI Construction is expected to place the low point drain vessel.

Issues Encountered during the Reporting Period:

- Continued delays during BOF system completion and turnover to startup, as described below, are impacting the project schedule.
 - *Impact:* Delayed BOF system completion and turnover to startup are extending the construction schedule and narrowing the available periods for startup testing. However, the effect of the delays in the project schedule are not anticipated to affect DOE's ability to achieve Amended Consent Decree milestones for the LAW Facility at this time.
 - *Actions initiated or taken to address potential project schedule slippage:*
 - BNI is conducting weekly management meetings to evaluate system completion against the schedule and emphasize the need for system punchlist completion.
 - Production meetings are focused on completion of outstanding work items.
 - Temporary systems are installed as necessary to minimize the downstream impacts of equipment failures.

Issues Expected in the Next Reporting Period:

- Continued delays during BOF system completion and turnover to startup, as described above.

Analytical Laboratory

Federal Project Director: Tom Fletcher

Facility Federal Project Director: Jason Young

The LAB will support WTP operations by analyzing feed, vitrified waste, and effluent streams. As of August 2018, the LAB was 74 percent complete overall, engineering design was 91 percent complete, procurement was 90 percent complete, construction was 96 percent complete, and startup and commissioning was 35 percent complete.

During this reporting period activities in the LAB were focused on system turnovers to begin startup testing of LAB systems. BNI is focused on completing the turnover of all LAB systems from construction to startup in 2018. To date, BNI has completed the turnover of 31 LAB systems for startup testing. BNI has relocated personnel and equipment into an offsite laboratory facility, and analytical method procedure development is in progress. The servers used to operate the test engineers' workstation have been transferred to the LAW Facility annex, and startup testing support is now provided from the permanent DFLAW control room in the LAW Facility.

Quarterly Statement: There are no missed milestones that may affect compliance with other milestones.

Accomplishments during the Reporting Period:

- BNI Construction completed turnover of the C2 ventilation (C2V) and C3 ventilation (C3V) systems for startup testing.
- BNI completed energization of the C1V, C2V, C3V, and C5V ventilation systems.
- BNI Construction completed turnover of the auto-sampling control system for startup testing.
- BNI completed turnover of the stack discharge monitoring system for startup testing.
- BNI completed turnover of the plant vacuum air system for startup testing.
- BNI completed turnover of the environmental monitoring system for startup testing.
- BNI continued review of the analytical methods procedures.

Accomplishments Expected in the Next Reporting Period:

- BNI is expected to continue turnover of LAB systems and startup testing of systems as they become available.

Issues Encountered during the Reporting Period:

- None.

Issues Expected in the Next Reporting Period:

- None.

Written Directives for WTP

Written directives given by DOE to the WTP contractor from July 1, 2018, through September 30, 2018, for work required by the Consent Decrees.

Twelve letters of direction were issued to BNI during the reporting period in reference to Contract No. DE-AC27-01RV14136, *Design, Construction, and Commissioning of the Hanford Tank Waste Treatment and Immobilization Plant*. The letters are listed below and copies are attached:

- 18-CPM-0102, “Contract No. DE-AC27-01RV14136 – Modification No. 427, Incremental Funding,” dated June 28, 2018¹⁰
- 18-CPM-0101, “Contract No. DE-AC27-01RV14136 – Transmittal of Contract Modification No. 426,” dated June 28, 2018¹¹
- 18-WTP-0083 REISSUE, “Reissue Contract No. DE-AC27-01RV14136 – Concurrence on Termination of Suspended Pretreatment Facility High Solids Vessel Purchase Orders,” dated July 11, 2018
- 18-CPM-0106, “Contract No. DE-AC27-01RV14136 – Revised Direction for Completing the Commercial Grade Dedication Extent of Condition Review Authorized by Contract Modification 397,” dated July 19, 2018
- 18-WTP-0081, “Contract No. DE-AC27-01RV14136 – Approval of the Point Adjustment Associated with Baseline Change Proposal 24590-WTP-TN-PC-18-0075, DFLAW – Definitization of Optimization (Target) Plan Scope Impacts,” dated July 19, 2018
- 18-SHD-0044, “Contract No. DE-AC27-01RV14136 – Approval of Revision to Fiscal Year 2018 Performance Objectives, Measures, and Commitments,” dated July 19, 2018
- 18-CPM-0083, “Contract No. DE-AC27-01RV14136 – Response to Notification to BNI of Expectation of Satisfactory Project (Performance) Management and Continued Withholding of Provisional Fee,” dated July 24, 2018
- 18-CPM-0105, “Contract No. DE-AC27-01RV14136 – Transmittal of Contract Modification No. 428 – Revision to the Not-To-Exceed Values for the Funding Limitations Established in the Change Orders Previously Incorporated in Modification 389 and Modification 415,” dated July 24, 2018
- 18-CPM-0117, “Contract No. DE-AC27-01RV14136 – Transmittal of Contract Modification No. 429,” dated August 2, 2018
- 18-SHD-0039, “Contract No. DE-AC27-01RV14136 – Transmittal of Oversight Report 18083-WTP, Radiological Control Program Oversight with Respect to Non-Destructive Evaluation Activities,” August 14, 2018

¹⁰ Letter 18-CPM-0102 was not included in August 2018 Quarterly Report.

¹¹ Letter 18-CPM-0101 was not included in August 2018 Quarterly Report.

- 18-CPM-0121, “Contract No. DE-AC27-01RV14136 – Transmittal of Contract Modification No. 431, T-1 Office Space and Notice to Proceed,” dated August 16, 2018
- 18-WTP-0088, “Contract No. DE-AC27-01RV14136 – Approval of the Point Adjustment Associated with Baseline Change Proposal 24590-WTP-TN-PC-18-0090, LAW/BOF – Award PPJ PDSA Scope and Descope BOF AMR,” dated August 17, 2018.

Enclosure

(19 Pages Excluding Cover Sheet)

Written Directives from July 1, 2018, through September 30, 2018



OFFICE OF RIVER PROTECTION

P.O. Box 450, MSIN H6-60
Richland, Washington 99352

JUL 24 2018

18-CPM-0083

Mr. C.K. Binns
Business Services Manager
Bechtel National, Inc.
2435 Stevens Center Place
Richland, Washington 99354

Mr. Binns:

CONTRACT NO. DE-AC27-01RV14136 – RESPONSE TO NOTIFICATION TO BNI OF EXPECTATION OF SATISFACTORY PROJECT (PERFORMANCE) MANAGEMENT AND CONTINUED WITHHOLDING OF PROVISIONAL FEE

Reference: BNI letter from C.K. Binns to R.L. Dawson, ORP, "Response to Notification to BNI of Expectation of Satisfactory Project (Performance) Management and Continued Withholding of Provisional Fee," CCN: 303485, dated April 16, 2018.

The U.S. Department of Energy (DOE), Office of River Protection (ORP) appreciates the following statements and commitments made in the letter referenced above:

- Bechtel National, Inc. (BNI) remaining fully committed to achieving contractual obligations for completion of construction, startup, and commissioning of the Waste Treatment and Immobilization Plant (WTP) Project, and to maintaining a project schedule that is consistent with those objectives and which meets the requirements of Contract Standard 1;
- Continued cooperation with ORP to optimize the overall program;
- BNI's commitment to meet the contract requirements of Contract Standard 1 for maintaining project metrics;
- BNI's commitment to addressing and closing out conditions adverse to quality and to continue to work closely with ORP to achieve alignment of expectations on this requirement; and
- BNI's commitment to maintaining its partnership with ORP, and to successfully completing WTP hot commissioning on schedule.

Notwithstanding the positive statements and commitments made by BNI, there are several statements to which ORP takes exception. As an initial matter, BNI states that the construct of its schedule for the Direct Feed of Low Activity Waste (DFLAW) Facility goes beyond the requirements of the contract. It is ORP's expectation that BNI will comply with and meet all terms and conditions of the contract. ORP has received the schedule and agrees that the construct meets the requirements of the contract. However, to demonstrate the validity of the schedule, BNI must show protracted demonstration of satisfactory performance to achieve demonstration of DFLAW hot commissioning by January 15, 2022.

JUL 24 2018

Mr. C.K. Binns
18-CPM-0083

-2-

Next, BNI states that ORP acknowledged a contract change in the Contract Modification 384 re-baselining. ORP approval of a baseline does not constitute acknowledgement of entitlement to a contract change.

Third, BNI states that it believes that the direction contained in Reference 1 (of BNI's letter) constitutes an improper unilateral change to the contract's provisional fee provisions, and imposes new conditions that are not contained in the contract. In fact, ORP did not provide direction in Reference 1, and the contents of Reference 1 do not constitute an improper unilateral change to the contract's provisional fee provisions, nor impose new conditions that are not contained in the contract. The purpose of the letter was to communicate to BNI ORP's expectations for satisfactory project performance management. The contract states that the payment of provisional fee is subject to a determination by the Contracting Officer that the contractor has met certain contract requirements. That language has not changed.

Lastly, BNI states the opportunity for payment of provisional fee was specific consideration for BNI not applying fee to three (3) expected contract changes. However, the opportunity for payment of provisional fee was part of the consideration given by ORP as part of the negotiations of modification 384 in its entirety. The Government concession to provide the opportunity for payment of provisional fee was given only if the resultant contract included specific language that the Contracting Officer, at his/her sole discretion, will determine if the contractor has met the requirements under which the Government will be obligated to pay fee, provisionally, to the contractor, and for the contractor to have any right to retain the provisionally paid fee – see contract Section B, subparagraph B.8(g)(6).

Prospectively, in addition to considering all information provided in the referenced letter, the Contracting Officer is continuously taking all BNI performance into consideration in determining satisfactory progress and protracted demonstration of satisfactory performance. Once the Contracting Officer has determined that BNI is making satisfactory progress toward completion, ORP will resume payment of provisional fee, in whole or in part, which may include that provisional fee previously withheld.

If you have questions or need additional information, please contact me at (509) 372-0098.



Ronnie L. Dawson
Contracting Officer

CPM:RLD

cc: BNI Correspondence



OFFICE OF RIVER PROTECTION
P.O. Box 450, MSIN H6-60
Richland, Washington 99352

JUN 28 2018

18-CPM-0101

Mr. C.K. Binns
Business Services Manager
Bechtel National, Inc.
2435 Stevens Center Place
Richland, Washington 99354

Mr. Binns:

CONTRACT NO. DE-AC27-01RV14136 – TRANSMITTAL OF CONTRACT
MODIFICATION NO. 426

The purpose of this letter is to transmit an executed original of the subject modification. This modification revises Contract Sections B, "Supplies or Services and Prices/Costs," and Section J, "List of Attachments," to definitize the negotiated agreement for the Low-Activity Waste C5V Redraft Change Order and account for recent fee payments made. The updated conformed contract sections can be accessed from the U.S. Department of Energy, Office of River Protection website.

If you have any questions regarding this contract action, please contact me at (509) 376-4427.

Katie Mair

Katie Mair
Contracting Officer

CPM:KAM

Attachment

cc w/attach:
BNI Correspondence



OFFICE OF RIVER PROTECTION
P.O. Box 450, MSIN H6-60
Richland, Washington 99352

JUN 28 2018

18-CPM-0102

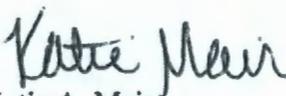
Mr. C.K. Binns
Business Services Manager
Bechtel National, Inc.
2435 Stevens Center Place
Richland, Washington 99354

Mr. Binns:

CONTRACT NO. DE-AC27-01RV14136 –MODIFICATION NO. 427, INCREMENTAL FUNDING

The purpose of this letter is to transmit an executed original of the subject modification. This modification revises Contract Section B, "Supplies or Services and Prices/Costs," to obligate incremental funding in the amount of \$50,000.00 and de-obligate \$26,935.79 from Inter-Entity Work Order funding. The updated conformed contract section can be accessed from the U.S. Department of Energy, Office of River Protection website.

If you have any questions regarding this contract action, please contact me at (509) 376-4427.


Katie A. Mair
Contracting Officer

CPM:KAM

Attachment

cc w/attach:
BNI Correspondence



OFFICE OF RIVER PROTECTION

P.O. Box 450, MSIN H6-60
Richland, Washington 99352

JUL 24 2018

18-CPM-0105

Mr. C.K. Binns
Business Services Manager
Bechtel National, Inc.
2435 Stevens Center Place
Richland, Washington 99354

Mr. Binns:

CONTRACT NO. DE-AC27-01RV14136 – TRANSMITTAL OF CONTRACT MODIFICATION NO. 428 – REVISION TO THE NOT-TO-EXCEED VALUES FOR THE FUNDING LIMITATIONS ESTABLISHED IN THE CHANGE ORDERS PREVIOUSLY INCORPORATED IN MODIFICATION 389 AND MODIFICATION 415

The purpose of this letter is to transmit a signed original of Contract Modification No. 428. This modification increases the not-to-exceed (NTE) values for the Caustic Redraft previously incorporated in modification 389 from \$159,672 to \$224,672 and Commercial Grade Dedication Parking Lot Items previously incorporated in Modification 415 from \$200,000 to \$350,000. The updated conformed contract sections can be accessed from the U.S. Department of Energy, Office of River Protection website.

BNI is requested to provide notification to the Contracting Officer at which time the total costs are expected to reach 75% of the NTE values as detailed in the enclosed contract modification.

If you have any questions, please contact me at (509) 376-4427.

Katie Mair
Katie A. Mair
Contracting Officer

CPM:KAM

Attachment

cc w/attach:
BNI Correspondence



OFFICE OF RIVER PROTECTION
P.O. Box 450, MSIN H6-60
Richland, Washington 99352

JUL 19 2018

18-CPM-0106

Mr. C.K. Binns
Business Services Manager
Bechtel National, Inc.
2435 Stevens Center Place
Richland, Washington 99354

Mr. Binns:

**CONTRACT NO. DE-AC27-01RV14136 – REVISED DIRECTION FOR COMPLETING THE
COMMERCIAL GRADE DEDICATION EXTENT OF CONDITION REVIEW
AUTHORIZED BY CONTRACT MODIFICATION 397**

- References:
1. ORP letter from R.E. Cone to C.K. Binns, BNI, "Transmittal of Contract Modification No. 397, Approval of Commercial Grade Dedication Extent of Condition Review Plan and Notice to Proceed," 17-CPM-0094, dated July 6, 2017.
 2. BNI letter from L.W. Baker to R.L. Dawson, ORP, "H.1 Technical Direction – Analysis of the Extent of Condition of Audit Finding Related to BNI Commercial Grade Dedication Program", CCN: 293418, dated December 28, 2016.
 3. BNI letter from K.D. Irwin to W.F. Hamel, ORP, "ORP Direction and Completion of U-14-QAD-RPPWTP-003, Commercial Grade Dedication Program Extent of Condition", CCN: 296146, dated May 10, 2017.
 4. BNI Letter from C.K. Binns to R.L. Dawson, ORP, "Request for Equitable Adjustment No. 2017-012, Commercial Grade Dedication Program Extent of Condition for LBL", CCN: 296498, dated October 16, 2017.

In Reference 1, the U.S. Department of Energy, Office of River Protection (ORP) approved Bechtel National, Inc.'s (BNI) Commercial Grade Dedication (CGD) Extent of Condition (EOC) Review Plan, and authorized BNI to commence the CGD EOC reviews with a not-to-exceed value of \$1,000,000. The EOC Review Plan applies to only Low Activity Waste (LAW), Balance of Facilities, and Analytical Laboratory (LBL) facilities at this time, in accordance with the review plan and priorities established in References 2 and 3. BNI submitted the Request for Equitable Adjustment (REA) for the CGD EOC reviews in Reference 4.

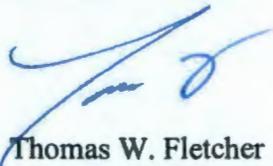
JUL 19 2018

The direction in Reference 1 to commence the CGD EOC reviews included several specific steps to ensure ORP and BNI established and maintained alignment on the EOC review process and interim results. Reference 1 specifically recognized the potential need to modify the EOC Review Plan and process based on joint ORP/BNI evaluation of the interim results and lessons-learned from the early EOC reviews.

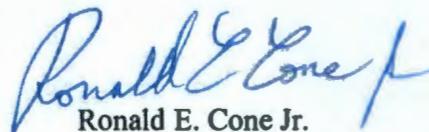
Since the issuance of the CGD EOC plan, ORP has approved the documented safety analysis (DSA) for the LAW Facility. This DSA has, in some cases, modified safety functions, functional requirements, and performance criteria for LAW structures, systems and components (SSC). Because the currently approved EOC approach would not be fully effective at ensuring CGD packages implement DSA requirements, ORP and BNI have piloted an alternate approach for conducting reviews of existing CGD packages using a specialized requirements verification matrix (SRVM). This new approach focuses on enhancing safety and quality by demonstrating procurements with dedicated items fully address the requirements of the recently approved DSA. The pilot has identified issues requiring review that would not have likely been detected through execution of the approved EOC plan specified by Contract Modification No. 397.

ORP agrees that the balance of the not-to-exceed funds associated with Contract Modification No. 397 may be appropriately used to update the CGD EOC plan and continue the CGD EOC pilot and process development activities. Reference 1 noted that a revised EOC Plan and scope/estimate should be prepared by BNI in the event that change is warranted. Based on this, BNI is directed to submit the revised approach and plan, and resubmit the REA for conducting the EOC reviews that reflects implementation of the new CGD review approach utilizing the SVRM and its associated documented process. This revised REA should be provided to ORP within 90 days. ORP has discontinued review of the previously submitted REA associated with the CGD EOC provided in Reference 4.

If you have any questions, please contact Tom Fletcher; or your staff may contact Paul Hirschman, WTP Engineering Division Director, at (509) 376-2477.



Thomas W. Fletcher
Assistant Manager, Federal Project Director
Waste Treatment and Immobilization Plant



Ronald E. Cone Jr.
Contracting Officer
Contracts and Property Management

CPM:JST

cc: BNI Correspondence



OFFICE OF RIVER PROTECTION
P.O. Box 450, MSIN H6-60
Richland, Washington 99352

AUG 02 2018

18-CPM-0117

Mr. C.K. Binns
Business Services Manager
Bechtel National, Inc.
2435 Stevens Center Place
Richland, Washington 99354

Mr. Binns:

CONTRACT NO. DE-AC27-01RV14136 – TRANSMITTAL OF CONTRACT
MODIFICATION NO. 429

The purpose of this letter is to transmit an executed original of the subject modification. This modification revises Contract Sections B, Supplies or Services and Prices/Costs, and Section J, List of Attachments, to definitize the negotiated agreement for the Probabilistic Seismic Hazards Analysis (PSHA) Change Order. The updated conformed contract sections can be accessed from the U.S. Department of Energy, Office of River Protection website.

If you have any questions regarding this contract action, please contact me at (509) 376-4427.

Katie Mair
Katie Mair
Contracting Officer

CPM:KAM

Attachment

cc w/attach:
BNI Correspondence



OFFICE OF RIVER PROTECTION

P.O. Box 450, MSIN H6-60
Richland, Washington 99352

AUG 16 2018

18-CPM-0121

Mr. C.K. Binns
Business Services Manager
Bechtel National, Inc.
2435 Stevens Center Place
Richland, Washington 99354

Mr. Binns:

CONTRACT NO. DE-AC27-01RV14136 – TRANSMITTAL OF CONTRACT MODIFICATION NO. 431, T-1 OFFICE SPACE AND NOTICE TO PROCEED

The purpose of this letter is to transmit a signed original of Contract Modification No. 431. This modification revises the direction issued under Contract Modification No. 390. Bechtel National, Inc. is directed to proceed with vacating and turning over the following areas, on the second floor of T-1 for federal staff to occupy consistent with Section C, Statement of Work, Standard C.7 Facility Specification, paragraph (a)(14). This change order modification will formally recognize U.S. Department of Energy (DOE) office space requirements at the following locations in the T-1 building:

- Areas and Offices 201 through 214 in accordance with floor plan provided in Attachment 1.
- Areas and Offices 215 through 226 in accordance with floor plan provided in Attachment 1.
- Conference Room 227 in accordance with floor plan provided in Attachment 1.
- Area 246 (southern portion) in accordance with floor plan provided in Attachment 1.

An attached floor plan, clearly delineating the areas in question, is included as Attachment 1. Within 60 days of the date of this contract modification, all areas shall be complete per Section C, Statement of Work, Standard C.7 Facility Specification, paragraph (a)(14) and turned over to DOE. The revised direction should be at no additional cost to the government above and beyond those costs already submitted in Request for Equitable Adjustment 2017-008, T-1 Office Space for DOE.

If you have any questions regarding this contract action, please contact me at (509) 376-4427.

A handwritten signature in cursive script that reads "Katie Mair".

Katie A. Mair
Contracting Officer

CPM:KAM

Attachments (2)



OFFICE OF RIVER PROTECTION

P.O. Box 450, MSIN H6-60
Richland, Washington 99352

AUG 14 2018

18-SHD-0039

Mr. Brian Reilly, Project Director
Bechtel National, Inc.
2435 Stevens Center Place
Richland, Washington 99354

Mr. Reilly:

**CONTRACT NO. DE-AC27-01RV14136 – TRANSMITTAL OF OVERSIGHT REPORT
18083-WTP, RADIOLOGICAL CONTROL PROGRAM OVERSIGHT WITH RESPECT TO
NON-DESTRUCTIVE EVALUATION ACTIVITIES.**

The U.S. Department of Energy, Office of River Protection, Technical and Regulatory Support, Safety and Health Division conducted a review of Bechtel National, Inc. Waste Treatment and Immobilization Plant implementation of the radiography program and subcontractor radiography activities. Attached is a copy of the subject oversight report (OA entry 36466).

One Priority Level 3 finding and one Opportunity for Improvement (OFI) were identified during the oversight.

- 18083 –WTP-F01 (Priority Level 3; Scheerer) – Condition report 24590-WTP-GCA-MGT-17-00836 was not adequately closed by the Conditions Report Review Committee screening; therefore, the contractor failed to correct items that did not meet North West Inspections Inc. Radiation Safety Program requirements.
- 18083 –WTP-O01 (Scheerer) – New wording on safety task analysis risk reduction talk cards resulting from corrective actions should be formally included instead of being hand written.

Details of the finding and OFI are provided in the Attachment.

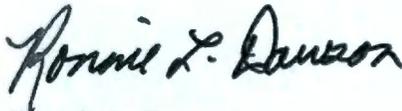
No response is required to the Priority Level 3 finding or the OFI. The Priority Level 3 finding shall be entered into the Bechtel National, Inc. corrective action management system and tracked until the identified issues are corrected.

Mr. Brian Reilly
18-SHD-0039

-2-

AUG 14 2018

If you have any questions, please contact me, or your staff may contact Ricky Bang, Director, Safety and Health Division, (509) 376-4151.



Ronnie L. Dawson
Contracting Officer



Thomas W. Fletcher
Assistant Manager, Federal Project Director
Waste Treatment and Immobilization Plant

SHD:RB

Attachment

cc w/attach:

K.D. Irwin, BNI

D.E. Kammenzind, BNI

W.K. Lucken, BNI

J.K. Neal, WTCC

BNI Correspondence



OFFICE OF RIVER PROTECTION
P.O. Box 450, MSIN H6-60
Richland, Washington 99352

JUL 19 2018

18-SHD-0044

Mr. Brian Reilly, Project Director
Bechtel National, Inc.
2435 Stevens Center Place
Richland, Washington 99354

Mr. Reilly:

**CONTRACT NO. DE-AC27-01RV14136 – APPROVAL OF REVISION TO FISCAL YEAR
2018 PERFORMANCE OBJECTIVES, MEASURES, AND COMMITMENTS**

- References:
1. BNI letter from B.P. Reilly to B.T. Vance, ORP, "Revision to Fiscal Year 2018 Performance Objectives, Measures, and Commitments," CCN: 307736, dated June 27, 2018.
 2. BNI letter from B.P. Reilly to B.T. Vance, ORP, "Revision to Fiscal Year 2018 Performance Objectives, Measures, and Commitments," CCN: 307071, dated June 4, 2018.

The U.S. Department of Energy, Office of River Protection has reviewed and approves the Bechtel National, Inc. Fiscal Year 2018 Performance, Objectives, Measures, and Commitments revisions in References 1 and 2. The Office of River Protection appreciates the informal discussions and collaborative approach to revise the Fiscal Year 2018 Performance, Objectives, Measures, and Commitments.

If you have any questions, please contact me, or your staff may contact Ricky Bang, Director, Safety and Health Division, (509) 376-4151.

A handwritten signature in black ink that reads "Ronnie L. Dawson".

Ronnie L. Dawson
Contracting Officer

SHD:RB

cc: C.I. Watkins, North Wind Solutions, LLC
BNI Correspondence



OFFICE OF RIVER PROTECTION
P.O. Box 450, MSIN H6-60
Richland, Washington 99352

SEP 12 2018

18-TF-0082

Ms. Katie Downing, Contracts Manager
Washington River Protection Solutions LLC
2425 Stevens Center Place
Richland, Washington 99354

Ms. Downing:

**CONTRACT NUMBER DE-AC27-08RV14800 – MODIFICATION TO DIRECTION TO UPDATE
TANK FARM MISSION LIFECYCLE BASELINE**

- References:
1. WRPS letter from K.A. Downing to W.E. Hader, ORP, "Washington River Protection Solutions LLC Response to Direction to Update Tank Farm Mission Life Cycle Baseline," WRPS-1702782, dated June 27, 2017.
 2. ORP letter from W.E. Hader to K.A. Downing, WRPS, "Direction to Update Tank Farm Mission Life Cycle Baseline," 17-WSC-0019, dated May 30, 2017.

The purpose of this letter is to provide Washington River Protection Solutions LLC (WRPS) with additional direction to the letters referenced above which will require a modification to the lifecycle baseline update, Option 2.

On June 27, 2017, WRPS submitted a letter with three options for completing the lifecycle baseline update. In response to the letter, the U.S. Department of Energy (DOE), Office of River Protection (ORP) selected the Option 2 approach with the included six key focus areas:

1. Assumptions and Approach - This area is essential in identifying project success and the scoping effort needed to update the life cycle baseline. This activity will be led by the project management team. Key elements that need to be factored in and/or agreed on with, ORP include defining estimate objectives and success criteria, DOE contingency approach, and confirm escalation, pension, and efficiency factors. Once an agreement is reached on these assumptions, the entire project team can be engaged.
2. Scope Definition - This activity is to document the technical scope of work included in the life cycle baseline update. The System Plan 8 Base Case modeling run will be used as the basis for the lifecycle alignment. WRPS will review the current Work Breakdown Structure (WBS) dictionary sheets and perform a gap analysis against System Plan 6 (current out-year planning estimate range [OPER] baseline) to identify any new or updated work scope as a result of changes in mission assumptions. The project team will work with Tank Farm Projects and Production Operations on the infrastructure/life extension plan for the aging facilities, and incorporating these updates into the lifecycle baseline. There are

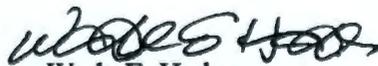
also new capabilities to consider that are required to support optimum Waste Treatment and Immobilization Plant (WTP) operations. Updated WBS dictionary sheets and/or scope descriptions will be prepared consistent with the assumptions agreed to with ORP.

3. Schedule - WRPS will apply the lessons learned from the development of the lifecycle model schedule prepared for the System Plan 8 Base Case model run to generate a logically connected and updated OPER schedule.
4. Resource and Cost Estimating - The number of new or updated estimates will be dependent on the assumptions agreed to with ORP. Potential cost estimating scope of work includes updating the low confidence estimates, updating ORP estimates for WTP operations and updating the baseline for recurring work and recent proposals. The updated estimates will be loaded into Cost Plan and Consolidated Omnibus Budget Reconciliation Act cost processor, along with general and administrative and other overhead elements (e.g., cost of pension), and time phased in accordance with the schedule. The last item is development of a robust ramp-down plan to support the reduction in level-of-effort operations costs as tank farms are closed.
5. Risk and Confidence Analysis - WRPS will develop risk and confidence information based on assumptions agreed to with ORP in support of DOE contingency analysis.
6. Prepare Documentation - WRPS will prepare a baseline change request package including WBS dictionary sheets, schedule detail, and Cost Plan basis of estimates. The deliverable will be an official baseline change request package ready for review and implementation upon approval.

DOE would like to modify the approach by expanding focus area number five above to include a detailed analysis of opportunities which could reduce the potential lifecycle cost of the ORP mission.

Please let me know if there are any impacts to schedule related to this request.

If you have any questions, please contact me, or your staff may contact Ethan Brackenbury, Tank Farms Project, at (509) 376-2792.


Wade E. Hader
Contracting Officer

TF: EBB

cc: C.A. Simpson, WRPS
J.A. Reno, WRPS
N.J. Morgan, WRPS
WRPS Correspondence



OFFICE OF RIVER PROTECTION

P.O. Box 450, MSIN H6-60
Richland, Washington 99352

SEP 17 2018

18-TF-0083

Ms. Katie Downing, Contracts Manager
Washington River Protection Solutions LLC
2425 Stevens Center Place
Richland, Washington 99354

Ms. Downing:

**CONTRACT NO. DE-AC27-08RV14800 - TANK OPERATIONS CONTRACT -
U.S. DEPARTMENT OF ENERGY ORDER 413.3B CHG 5, "PROGRAM AND PROJECT
MANAGEMENT FOR THE ACQUISITION OF CAPITAL ASSETS"**

The purpose of this letter is to provide written notification of the U.S. Department of Energy (DOE), Office of River Protection's (ORP) intent to revise the list of directives contained in Section J of the subject contract as required by Contract Clause I.140, "Laws, Regulations, and DOE Directives."

In accordance with the provisions of this clause, ORP intends to add the Contractors Requirement Document for DOE Order 413.3b Change 5, "Program and Project Management for the Acquisition of Capital Assets" to Section J, Attachment J.2, "Requirement Sources and Implementing Documents."

Within 30 days of receipt of this letter, please advise this office in writing of all potential impacts associated with the above addition/replacement, and any baseline change impacts associated with its incorporation including the Contractor Requirements Document of the order. Please provide your technical justification, cost proposal and equivalencies for any recommendations you make to exclude the directive requirements or portions thereof.

If you have any questions, please contact me, or your staff may contact Betsy M. Ballard, Tank Farms Project, at (509) 376-10551.

A handwritten signature in blue ink, appearing to read "Wade E. Hader".

Wade E. Hader
Contracting Officer

TF:BMB

cc: J.A. Reno, WRPS
C.A. Simpson, WRPS
A.W. Spillman, WRPS
WRPS Correspondence



OFFICE OF RIVER PROTECTION

P.O. Box 450, MSIN H6-60
Richland, Washington 99352

JUL 19 2018

18-WTP-0081

Mr. B.P. Reilly
Project Director
Bechtel National, Inc.
2435 Stevens Center Place
Richland, Washington 99354

Mr. Reilly:

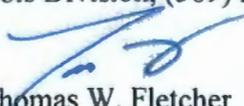
CONTRACT NO. DE-AC27-01RV14136 – APPROVAL OF THE POINT ADJUSTMENT ASSOCIATED WITH BASELINE CHANGE PROPOSAL 24590-WTP-TN-PC-18-0075, DFLAW – DEFINITIZATION OF OPTIMIZATION (TARGET) PLAN SCOPE IMPACTS

Reference: BNI letter from B.P. Reilly to T.W. Fletcher, ORP, "Baseline Change Proposal 24590-WTP-TN-PC-18-0075, DFLAW – Definitization of Optimization (Target) Plan Scope Impacts," CCN: 276843, dated June 13, 2018.

The U.S. Department of Energy, Office of River Protection hereby approves implementation of the historical Point Adjustment of **(\$836.2 K)** associated with the subject Baseline Change Proposal. This Baseline Change Proposal provides budget to the Performance Measurement Baseline to allow for earning performance against activities that are in the Target schedule, but are not currently in the Baseline schedule. Most of the Point Adjustment results from transfers between Control Accounts or alignment of the current period Baseline scheduled value to the Target value. These transfers and alignments are considered appropriate, considering the current situation of misalignment between the Baseline and Target.

The action taken herein is considered to be within the scope of work of the existing contract and does not authorize the Contractor to incur any additional costs (either direct or indirect) or delay delivery to the Government. If the Contractor considers that carrying out this action will increase contract/project costs or delay of delivery, the Contractor shall promptly notify the Contracting Officer orally, confirming and explaining the notification in writing within ten (10) calendar days, and otherwise comply with the requirements of the Contract clause I.84 FAR 52.243-7, -- "Notification of Changes (APR 1984)." Following submission of the written notice of impacts, the Contractor shall await further direction from the Contracting Officer.

If you have any questions, please contact me, or you may contact Jon Peschong, Director, Waste Treatment and Immobilization Plant Project Controls Division, (509) 376-0375.


Thomas W. Fletcher
Assistant Manager, Federal Project Director
Waste Treatment and Immobilization Plant

WTP:DCM

cc: BNI Correspondence



OFFICE OF RIVER PROTECTION

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JUL 11 2018

18-WTP-0083

REISSUE

B.P. Reilly
Project Director
Bechtel National, Inc.
2435 Stevens Center Place
Richland, Washington 99354

Mr. Reilly:

REISSUE CONTRACT NO. DE-AC27-01RV14136 – CONCURRENCE ON TERMINATION OF SUSPENDED PRETREATMENT FACILITY HIGH SOLIDS VESSELS PURCHASE ORDERS

- References:
1. BNI letter from C.K. Binns to R.L. Dawson, ORP, "Disposition of Pretreatment Facility Suspended Equipment Purchase Orders," CCN: 276996, dated April 2, 2018.
 2. BNI letter from B.P. Reilly to T.W. Fletcher, ORP, "Summary of Communications Relating to Standard High Solids Vessel Design Concept for the Pretreatment Facility," CCN: 303802, dated June 8, 2018.

This letter is being reissued to clarify that the U. S. Department of Energy, Office of River Protection (ORP) concurs with termination (not suspension) of purchase orders.

The ORP, Waste Treatment and Immobilization Plant Project reviewed the Bechtel National, Inc. (BNI) recommendation for terminating the suspended purchase orders for high solids process vessels in the black cells of the Pretreatment Facility (Reference 1). ORP has also reviewed the BNI evaluation (supported by the pulse-jet mixing vessel testing) (Reference 2) that the proposed standard high solids vessel design concept supports the Waste Treatment and Immobilization Plant contract throughput and tank utilization requirements. Based on the cost evaluation provided in Reference 2, implementation of the standard high solids vessel design concept appears to be more cost-effective compared to testing and confirmation of the existing Pretreatment Facility high solids vessel designs.

Mr. B.P. Reilly
18-WTP-0083
REISSUE

JUL 11 2018

Based on the above, ORP concurs with the recommendation to terminate the purchase orders associated with the existing high solids vessels, since these vessels are not planned to be used when the Pretreatment Facility is authorized to resume production engineering.

The action taken herein is considered to be within the scope of work of the existing contract and does not authorize the Contractor to incur any additional costs (either direct or indirect) or delay delivery to the Government. If the Contractor considers that carrying out this action will increase contract/project costs or delay of delivery, the Contractor shall promptly notify the Contracting Officer orally, confirming and explaining the notification in writing within ten (10) calendar days, and otherwise comply with the requirements of the Contract clause I.84 FAR 52.243-7, -- "Notification of Changes (APR 1984)." Following submission of the written notice of impacts, the Contractor shall await further direction from the Contracting Officer.

If you have any questions, please contact Wahed Abdul, Federal Project Director for High-Level Waste, Pretreatment, and Low-Activity Waste Facilities, at (509) 438-0455.

A handwritten signature in blue ink, appearing to read "Tom Fletcher", with the name "Tom Fletcher" written in a smaller font below the signature.

Thomas W. Fletcher
Assistant Manager, Federal Project Director
Waste Treatment and Immobilization Plant

cc: BNI Correspondence



OFFICE OF RIVER PROTECTION

P.O. Box 450, MSIN H6-60
Richland, Washington 99352

AUG 17 2018

18-WTP-0088

Mr. B.P. Reilly
Project Director
Bechtel National, Inc.
2435 Stevens Center Place
Richland, Washington 99354

Mr. Reilly:

CONTRACT NO. DE-AC27-01RV14136 – APPROVAL OF THE POINT ADJUSTMENT ASSOCIATED WITH BASELINE CHANGE PROPOSAL 24590-WTP-TN-PC-18-0090, LAW/BOF – AWARD PPJ PDSA SCOPE AND DESCOPE BOF AMR

Reference: BNI letter from B.P. Reilly to T.W. Fletcher, ORP, "Baseline Change Proposal 24590-WTP-TN-PC-18-0090, LAW/BOF – Award PPJ PDSA Scope and Descope BOF AMR," CCN: 276844, dated July 25, 2018.

The U.S. Department of Energy, Office of River Protection hereby approves implementation of the historical point adjustment of **(\$4,992.2 K)** associated with the subject Baseline Change Proposal. This Baseline Change Proposal deletes budget for equipment no longer needed, as a result of the revised Low-Activity Waste Preliminary Documented Safety Analysis, as well as aligning the budget to the award value for a software acquisition. The point adjustment results from deletion of budget prior to the data date for the above two acquisitions. These deletions and alignments are appropriate.

The action taken herein is considered to be within the scope of work of the existing contract and does not authorize the Contractor to incur any additional costs (either direct or indirect) or delay delivery to the Government. If the Contractor considers that carrying out this action will increase contract/project costs or delay of delivery, the Contractor shall promptly notify the Contracting Officer orally, confirming and explaining the notification in writing within ten (10) calendar days, and otherwise comply with the requirements of the Contract clause I.84 FAR 52.243-7, -- "Notification of Changes (APR 1984)." Following submission of the written notice of impacts, the Contractor shall await further direction from the Contracting Officer.

If you have any questions, please contact me, or you may contact Jon Peschong, Director, Waste Treatment and Immobilization Plant Project Controls Division, (509) 376-0375.


Thomas W. Fletcher
Assistant Manager, Federal Project Director
Waste Treatment and Immobilization Plant

WTP:RLC

cc: BNI Correspondence