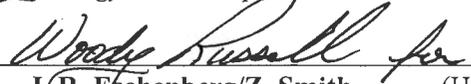
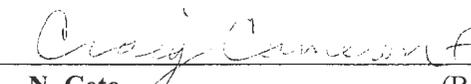
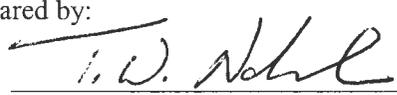


**Office of River Protection
Tri-Party Agreement Milestone Review
Meeting Minutes
February 21, 2008**

Approval:  Date: 4/17/08
J. Hedges (H0-57)
Ecology IAMIT Representative, Chairperson

Approval:  Date: 4/17/08
J.R. Eschenberg/Z. Smith (H6-60)
DOE IAMIT Representative

Approval:  Date: 4/17/08
N. Ceto (B1-46)
EPA IAMIT Representative

Minutes Prepared by:  Date: 4/17/08
T. W. Noland (H8-12)
Fluor Federal Services, Inc..

Abdul, Wahed*	ORP	H6-60	Louie, C.S.*	ORP	H6-60
Babel, C.A.*	ORP	H6-60	Long, J.D.*	ORP	H6-60
Barnes, M.W.*	Ecology	H0-57	Luke, J.J.*	CH2M	H6-03
Braswell, S.M.*	Ecology	H0-57	Lyon, J.J.	Ecology	H0-57
Bohnee, G.	NPT		Niles, K.	OOE	
Caggiano, J.A.*	Ecology	H0-57	Nicoll, B.L.*	OPR	H6-60
Ceto, N.*	EPA	B1-46	Noland, T.W.*	FH	H8-12
Cimon, S.*	ODE		Noyes, D.L.*	ORP	H6-60
Dahl, S.L.*	Ecology	H0-57	Olinger, S.J.	ORP	H6-60
Diediker, J.A.*	OPR	H6-60	Olsen, G.B.*	ORP	H6-60
Engelmann, R.H.*	FH	H8-12	Piippo, R.	FH	H8-12
Eschenberg, J.R.	ORP	H6-60	Quintero, R.A.*	ORP	H6-60
Fort, L.A.*	Ecology	H0-57	Rasmussen, J.E.*	YAH	A5-15
Fredenburg, E.A.	Ecology	H0-57	Russell, R.W.	ORP	H6-60
Furlong, P.T.	ORP	H6-60	Skinnarland, R.R.	Ecology	H0-57
Harp, B.J.*	ORP	H6-60	Taylor, H.N.*	ORP	H6-60
Harris, S.	CTUIR		Uziemblo, N.H.*	Ecology	H0-57
Hedges, J.*	Ecology	H0-57	Vance, J.G.	FH	H8-12
Henry, D.	OOE		Voogd, J.A.*	CH2M	H6-03
Horst, L.	OOE		Weil, S.R.*	RL	H5-16
Huffman, L.A.*	ORP	H6-60	Whalen, C.L.*	Ecology	H0-57
Jaraysi, M.N.*	CH2M	H6-03	Administrative Record		H6-08
Jim, R.	Yakama				
Knox, K.E.*					
Lober, R.W.*	ORP	H6-60			

* Attendees

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**Office of River Protection
Tri-Party Agreement Quarterly Milestone Review
Meeting Minutes
February 21, 2008**

TPA Milestone Statistics

ORP reported that the overall picture for cost and schedule variance is positive, and that the Tank S-102 spill cleanup is a negative contribution to the cost and schedule performance at this time. Soil removals around the spill area were initiated last week, and the soil is being placed in 55-gallon drums and sent to the mixed low level waste trenches on site. ORP has made a determination that the soil is not high level waste. A presentation on the decision criteria has been scheduled with Ecology, and EPA was invited to attend.

Milestone M-45, -50, -60 Single-Shell Tank Corrective Action

M-45-55-TO4, Submit to Ecology for review and comment a draft of the A-AX, C and U Field Investigation Report

This milestone was deleted through TPA Change Request M-45-06-03 (approved by DOE and Ecology 12/4/97), and the intent of the milestone was rolled into M-45-55.

M-45-55, Submit to Ecology for review and approval as an Agreement Primary Document a Phase 1 RFI report integrating results of data gathering activities and evaluations for WMAs S-SX, T, TX-TY, A-AX, B-BX-BY, C and U; and related activities, including groundwater monitoring and impacts assessment using Hanford Site groundwater models, with conclusions and recommendations

The Phase 1 RFI report was issued from ORP to Ecology at the end of January 2008. The report is over a thousand pages, and ORP is working with Ecology on a communication plan to share the document with EPA and other stakeholders.

The Data Quality Objective process has been initiated for C Farm closure.

Significant Accomplishments

Approximately 28,000 square feet of the T-Farm barrier have been sprayed. Direct push at C WMA has been successful in going much further than in the past, and sampling is at about 140 feet.

EPA noted the increased cost in a barrier from original estimates, attributable mostly to winter weather, and asked why the weather was not taken into consideration. ORP responded that weather was one of the major elements in the increase in cost, but that there were other contributing factors. The design was not an adequate analysis of field conditions, such as the risers and some of the obstructions within the tank farm. An analysis of options was done, and it

was determined that the cost of stopping work and remobilizing in March was just as costly and there wouldn't be much benefit to delay. As a result, a lessons learned workshop is being done, and a value engineering study is scheduled to determine ways to reduce cost on future barriers. ORP also noted that there were contractual issues that caused a six-week delay.

Milestone M-45-00, Complete Closure of All Single-Shell Tank Farms

ORP noted that at the request of EPA at the last quarterly, that a comment, "Based on current DOE Baseline planning", has been added for the milestones that are projected to be missed.

M-45-00D, Initiate Negotiation of the SST Waste Retrieval and Closure Activities (for the Period September 2008 to September 2013)

ORP reported that this milestone missed the 1/31/08 due date, and a letter was sent to Ecology just prior to the due date noting that the milestone would be missed, and also that the scope of the milestone was within the scope of the ongoing TPA negotiation.

ORP noted that a letter was received from Ecology in January 2008 responding to retrieval data reports that ORP submitted for the four C-200 tanks and C-103. In the letter, Ecology agreed that the above-mentioned SSTs have been retrieved through low level waste treatment technology established by milestones M-45-00 and M-45-00B.

SST Retrieval Sequence Document

ORP noted that the status of Milestone M-45-02N is shown at risk. The due date of March 1, 2008 falls on a Saturday, and legal counsel has advised ORP that it has until the following Monday, March 3, 2008, to deliver the document.

Tank Retrievals With Individual Milestones - M-45-05A, Complete Waste Retrieval from Tank S-102

Soil recovery actions continue following the July 2007 waste spill. ORP estimated that 50 percent of the contaminated soil has been removed. EPA inquired about the volume projections for the cleanup and ORP responded that they are estimating that they will fill 55 to 60 55-gallon drums. ORP also noted that there is a spot of contamination under riser No. 7 that will need cleanup of spill material.

Tank 241-S-112

Significant Accomplishments

ORP stated that the S-112 retrieval data report was submitted to Ecology in December 2007, which should have been noted under accomplishments.

Interim Stabilization Consent Decree

D-001-00, Complete Interim Stabilization of all 29 SSTs

Interim stabilization is on hold until completion of Tank S-102 retrieval, which is estimated for FY09. CH2M Hill is working on modifying the tools for removing all the residuals in S-102. Until that technology is defined, a schedule for recommencing retrieval is unknown.

In Tank Characterization and Summary

A status of accomplishments, planned actions and issues was provided.

Milestone M-47-00, Complete Work Necessary to Support Acquisition and Phase I Operations of Hanford Site High-Level Radioactive Waste Treatment, Storage and Disposal Facilities

Ecology and EPA raised a concern regarding out-year planning and funding for waste retrieval in an effort to provide waste feed to WTP. ORP responded that it is analyzing the whole waste feed delivery scenario.

242-A Evaporator Status

Maintenance and upgrades are being done on the 242-A Evaporator in preparation for a cold run in July 2008.

M-48-00 DST Integrity Assessment Program

The M-48-15 and M-48-00 milestones are complete. EPA and Ecology requested status be reported on the upcoming single-shell integrity assessment program at future ORP quarterly milestone reviews. ORP stated that an expert panel board will be established to assist in the SST integrity assessment. Lessons learned from the DST tank programs will be incorporated into the SST integrity assessment. ORP noted that the DST permit will have reportable actions, which led to a brief discussion whether the status of certain permits should be provided during the ORP quarterly milestone review. Ecology will provide a proposed list of subjects that now are covered in permits and that no longer have TPA milestones that the regulatory agencies might want covered as part of the quarterly milestone reviews.

Milestone M-90-00, Complete Acquisition of New Facilities, Modifications of Existing Facilities, and/or Modifications of Planned Facilities, as Necessary for Storage of Hanford Site Immobilized High Level Waste (IHLW), Immobilized Low Activity Waste (ILAW), and Disposal of ILAW, and M-20-00, Submit Part B Permit Applications.

Significant Planned Actions in the Next Six Months

Ecology stated that the Canister Storage Facility Part B permit application will be withdrawn and a placeholder will be inserted in the sitewide permit. A revised permit will be submitted at a

later time. Ecology and ORP will provide the language for the next milestone review meeting status.

ORP reported that the repairs made to the IDF survived a recent windstorm; however, during the same windstorm the material was lost off an area that was not repaired.

M-62-08, M-62-11 Bulk Vitrification/Supplemental Technologies

ORP reported that the Demonstration Bulk Vitrification System design has been finalized and is in final design review, which will take approximately six weeks. In parallel with the DBVS review, the safety documentation is being completed and will undergo review in May 2008.

ORP has issued a letter to CH2M Hill to initiate efforts on the Interim Pretreatment System, and CH2M Hill will deliver statements of work (SOW) tomorrow. The draft schedule for Critical Decision-1 will be finalized once the SOWs are received. CD-1 is anticipated by the end of next fiscal year. A mission analysis report is being prepared, which will look at feed, feed selection, siting locations, and technology development and selection. The goal is to get an architect-engineer on board this fiscal year to begin conceptual design activities.

FY 2007 ORP TPA Cost & Schedule Performance (CHG)

A summary status was provided on the cost and schedule performance which was contained in the handout.

BNI Cost & Schedule Performance; and M-62-00, Complete Pretreatment Processing and Vitrification of Tank Wastes

ORP reported that the Pretreatment Facility overall performance has been impacted by the higher costs and schedule delays associated with the Pretreatment Engineering Platform (PEP). Engineering design, which has had schedule delays in prior months, has been able to improve its performance in the last couple months.

ORP identified some issues that are affecting acceleration of construction in the High Level Waste Facility (HLW) associated with black cell piping and joggles. The black cell piping have a requirement to be 100 percent NDE radiographed, which was missed due to vendors' difficulty with the complexity of specifications and drawings. Bechtel is working to correct the difficulty and is evaluating all the pipe to make sure the requirements have been met. The issue with the joggles, which are in a continuous bent shape, is to ensure that there is no penetration next to the joggles.

For the Low Activity Waste Facility (LAW), defining Title 2 and Title 3 engineering work has been initiated. A Title 2 design would be complete and ready to hand to the contractor to proceed with construction. ORP noted that the numbers reflected on the chart on page 85 will increase once they are calculated to Title 2. By the end of calendar year 2008, Bechtel is to complete a conceptual design report for LAW First activities.

The melters are no longer a critical path item. The thermal catalytic oxidizer (TCO) is currently identified as critical path as LAW and HLW go through the commercial grade dedication process. On the positive side, design on the LAW is nearing completion.

ORP noted some corrections to the chart on page 79. Budgeted cost of work schedule for December 2007 was \$4.1 million, and about \$4 million worth of work was performed. The actual cost to perform the work was \$4.8 million, resulting in an \$800,000 cost variance for December 2007. It was also noted that the chart on page 79 doesn't accurately reflect the planning packages, resulting in the spikes for July, August and September 2008. Bechtel is in the process of defining the correct areas in the schedule for those packages.



Agenda
February 21, 2008

Office of River Protection
Quarterly Milestone Review Meeting
Ecology Conference Room 3A/B, 3100 Port of Benton Blvd., Richland

Chairperson: Jane Hedges

9:00 a.m. – 11:30 a.m.

Page	Topic	Leads	Time
3	TPA Milestone Statistics	Woody Russell Suzanne Dahl / Jeff Lyon	9:00
52	M-45, -50, -60 Single-Shell Tank Corrective Action	Bob Lober / Joe Caggiano	9:10
54	M-45-00, Complete Closure of All Single-Shell Tank Farms	Roger Quintero / Jeff Lyon	9:30
64	Interim Stabilization Consent Decree	John Long / Nancy Uziemblo	9:50
66	In Tank Characterization and Summary	John Long / Michael Barnes	10:00
67	M-47-00, Tank Waste Treatment, Storage and Disposal Facilities	Corbun Babel / Les Fort	10:10
69	M-48-00, DST Integrity Assessment Program	Cathy Louie / Les Fort	10:20
70	M-90-00, Complete Acquisition of Facilities for Interim Storage of IHLW and Storage/ Disposal of ILAW and M-20, Part B Permits	Cathy Louie / Bud Derrick	10:30
	BREAK		
18	FY 2007 ORP TPA Cost & Schedule Performance (CHG)	Janet Diediker Suzanne Dahl / Jeff Lyon	10:40
86	M-62-08, M-62-11 Bulk Vitrification/Supplemental Technologies	Ben Harp / Suzanne Dahl	10:50
72	BNI Cost & Schedule Performance and M-62-00, Complete Pretreatment Processing and Vitrification of Tank Wastes	Bruce Nicoll / Pete Furlong / Wahed Abdul / Suzanne Dahl	11:00

Office of River Protection

Tri-Party Agreement
Quarterly Milestone Review Meeting
February 21, 2008



U.S. Department of Energy
U.S. Environmental Protection Agency
Washington State Department of Ecology

First Quarter 2008

Agenda

Office of River Protection
Tri-Party Agreement
Quarterly Milestone Review Meeting
Ecology Offices
February 21, 2008
9:00 a.m. – 11:30 a.m.

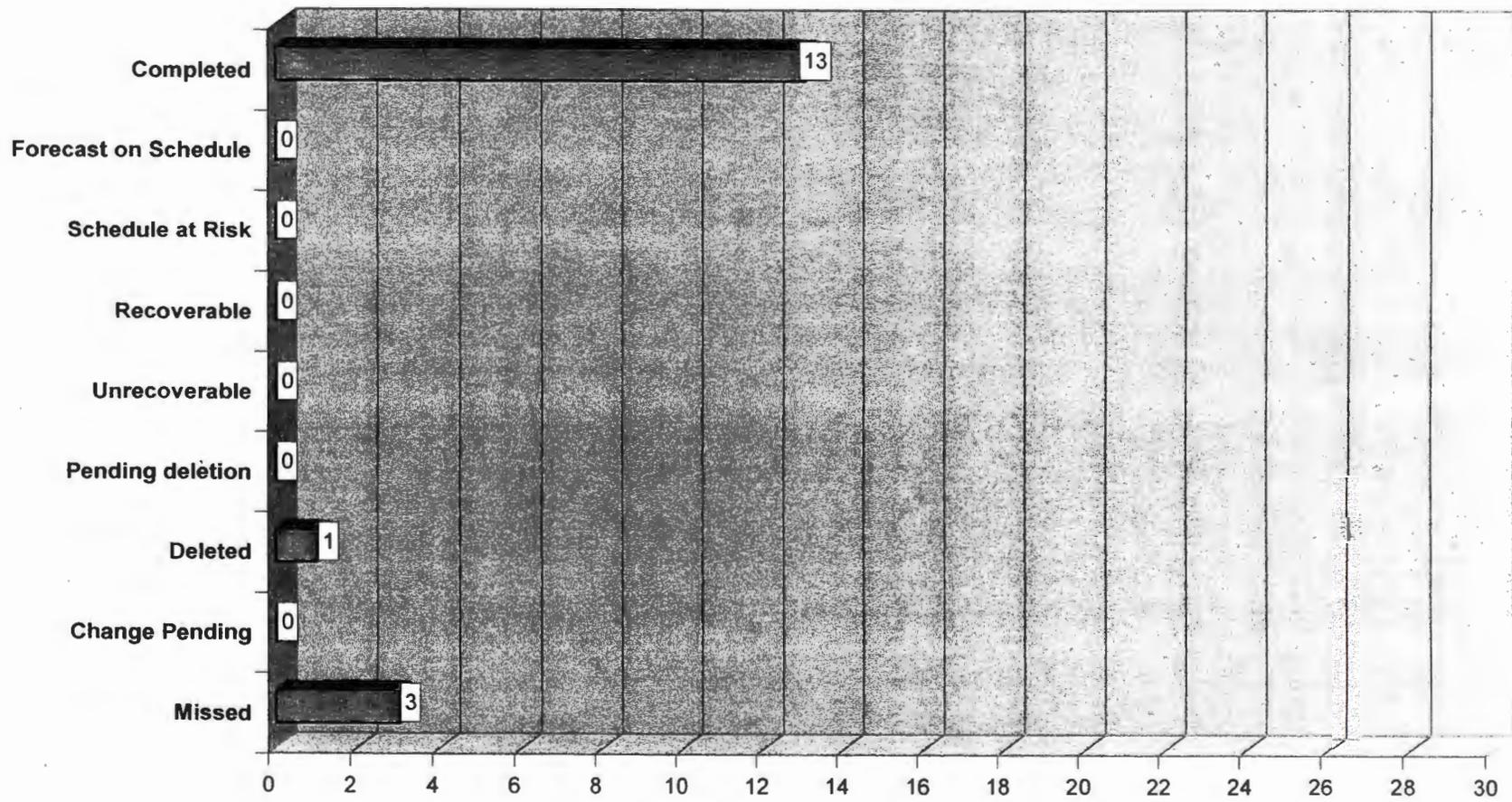
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71	BNI Cost & Schedule Performance and M-62-00, Complete Pretreatment Processing and Vitrification of Tank Wastes	Bruce Nicoll / Pete Furlong / Wahed Abdul / Suzanne Dahl	11:00

TPA Milestone Statistics

(Including target milestones)

Milestone	Due Date	Total Active as of 02/21/08	Milestone Number	Due Date	Milestone Number	Due Date
M-20-00 , Submit Part B Permit Application on Closure/Post Closure Plans for all RCRA TSD Units	12/31/08 (M-20-00)	0				
M-42-00 , Provide Additional DST Capacity	TBD	1	M-42-00	TBD		
M-45-00 , Complete Closure of all SST Farms	09/30/24 (M-45-00)	35	M-45-00 M-45-00B M-45-00C M-45-00D M-45-02 M-45-02N M-45-02O M-45-05 M-45-05A M-45-05-T05 M-45-05-T06 M-45-05-T07 M-45-05-T08 M-45-05-T09 M-45-02P M-45-05-T10 M-45-05-T11 M-45-02Q M-45-05-T12	09/30/24 09/30/06 09/30/06 01/31/08 TBD 03/01/08 03/01/10 09/30/18 03/31/07 09/30/07 09/30/08 09/30/09 09/30/10 09/30/11 03/01/12 09/30/12 09/30/13 03/01/14 09/30/14	M-45-05-T13 M-45-02R M-45-05-T14 M-45-05-T15 M45-02S M-45-06 M-45-06-T03 M-45-06-T04 M-45-13 M-45-15 M-45-56 M-45-58 M-45-59 M-45-60 M-45-61 M-45-62	09/30/15 03/01/16 09/30/16 09/30/17 03/01/18 09/30/24 03/31/12 03/31/14 06/30/11 06/30/11 TBD 12/31/08 TBD 12/31/08 12/31/10 07/31/12
M-47-00 , Complete All Work for Phase 1 Operations	02/28/18 (M-47-00)	3	M-47-00 M-47-03A	02/28/18 03/31/09	M-47-06	06/30/10
M-50-00 , Complete Pretreatment Processing of Hanford Tank Waste	12/31/28 (M-50-00)	1	M-50-00	12/31/28		
M-51-00 , Complete Vitrification of Hanford High Level Tank Waste	12/31/28 (M-51-00)	1	M-51-00	12/31/28		
M-61-00* (alternate path), Complete Pretreatment & Immobilization of Hanford Low Activity Tank Waste	12/31/28 (M-61-00)	1	M-61-00	12/31/28		
M-62-00 , Complete Pretreatment Processing and Vitrification of Tank Wastes	12/31/28 (M-62-00)	14	M-62-00 M-62-00A M-62-07B M-62-01Q M-62-01R M-62-01S M-62-01T	12/31/28 02/28/18 12/31/07 07/31/08 01/31/09 07/31/09 01/31/10	M-62-08 M-62-09 M-62-01U M-62-01V M-62-10 M-62-01W M-62-11	06/30/06 02/28/09 07/31/10 01/31/11 01/31/11 07/31/11 06/30/07
M-90-00 , Interim Storage and Disposal of LAW and Interim Storage of HLW	TBD (M-90-00)	2	M-90-00 M-90-11	TBD 08/31/10		
Interim Stabilization Consent Decree	09/30/04 (D-001-00)	1	D-001-00			
Total Active Milestones:		59				

FY 2006 MILESTONE PERFORMANCE



Fiscal Year 2006 Tri-Party Agreement Milestone Status

Milestone No.	Description	Due Date	Completed	Forecast		Recoverable	Unrecoverable	Missed	Pending Deletion	Deleted	Change Pending
				On Schedule	Schedule at Risk						
D-001-00-R26	DOE Shall, On A Quarterly Basis, Submit To Ecology A Written Report Documenting Tank Stabilization Activities That Occurred During The Period Covered By The Report. This Written Report Shall Provide The Status Of Progress Made During The Reporting Period.	10/31/05	10/31/05								
M-048-07A-A	Complete construction of the AZ-301 condensate return system and remove the AZ-151 catch tank system from service by October 31, 2005. This scheduled deliverable is a subset of M-48-07A, and thus labeled as M-48-07A-A.	10/31/05	10/31/05								
M-046-21	Complete Implementation Of Double Shell Tank Space Optimization Study Recommendations (Tank Space Options Report Document No. RPP-7702, April 12, 2001).	12/31/05	12/15/05								
M-062-01L	Submit Semi-Annual Project Compliance Report	01/31/06	01/31/06								
M-045-02M	Submit biennial update to SST retrieval sequence document (agreement Appendix I. Section 2.1.2), double shell tank space evaluation document and Ecology concurrence of additional tank acquisition.	3/1/06	3/13/06								

Fiscal Year 2006 Tri-Party Agreement Milestone Status

Milestone No.	Description	Due Date	Completed	Forecast		Recoverable	Unrecoverable	Missed	Pending Deletion	Deleted	Change Pending
				On Schedule	Schedule at Risk						
M-048-07A-B	Completion of construction for the 241-AP-106A central pump pit upgrade (remove existing equipment, evaluate pit integrity, and replace pit coating, if necessary. This scheduled deliverable is a subset of M-48-07A, and thus labeled as M-48-07A-B	3/31/06	3/30/06								
M-048-14	Submit Written Integrity Report For The Double-Shell Tank System	3/31/06	3/31/06								
M-047-05A	Complete startup and turnover activities for waste retrieval and mobilization systems for selected initial low-activity waste feed tank (other than AZ-101 or AZ-102).	4/30/06	02/2/05								
M-45-55-T04	Submit to Ecology for review and comment a draft Field Investigation Report combining the results of field investigations and analysis for WMAs A-AX, C and U. As part of the Phase 2 Vadose Zone project renegotiations, being developed, this target milestone scope has been included in M-45-55 Phase 1 rollup documentation due in 1/08.	4/30/06								X	
M-048-07A	Complete construction of the AZ-301 condensate return system and pit upgrades. This includes: 1) Complete construction of the AZ-301 condensate return system and remove the AZ-151 catch tank system from service [see M 45-07A-A]; 2) Complete construction of AP-106A Central Pump upgrade [M 48-07A-B]; and 3) complete	06/30/06	06/28/06								

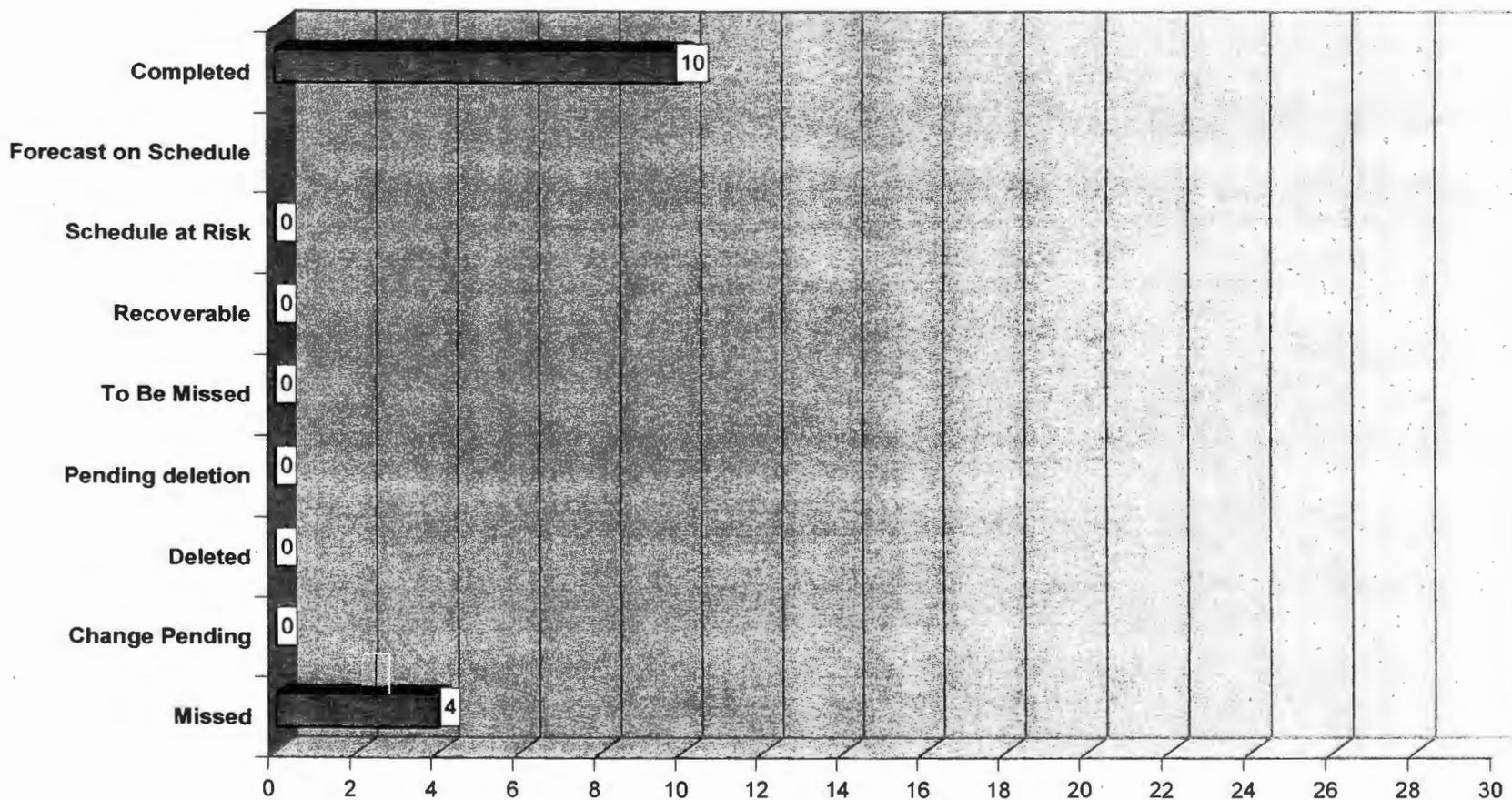
Fiscal Year 2006 Tri-Party Agreement Milestone Status

Milestone No.	Description	Due Date	Completed	Forecast		Recoverable	Unrecoverable	Missed	Pending Deletion	Deleted	Change Pending
				On Schedule	Schedule at Risk						
	construction of SY-B Valve Pit upgrade [see M 48-07A-C].										
M-048-07A-C	Completion of construction for the 241-SY-B valve pit upgrade (remove existing equipment, evaluate pit integrity, and replace pit coating, if necessary). This scheduled deliverable is a subset of M-48-07A, and thus labeled as M-48-07A-C.	06/30/06	06/08/06								
M-048-07B	The Disposition of all Double-Shell Tank Transfer System Components that will not remain in use beyond June 30, 2005.	06/30/06	6/27/06								
M-062-08	Submittal Of Hanford Tank Waste Supplemental Treatment Technologies Report, Draft Hanford Tank Waste Treatment Baseline, And Draft Negotiations Agreement In Principle (AIP).	06/3/06						X			
M-045-56B	Ecology and DOE agree, at a minimum, to meet yearly (by July or as needed to support annual budgeting) for the specific purpose of assessing the adequacy of information, and the need for the establishment of additional agreement interim measures.	07/01/06	09/05/06								
M-062-01M	Submit Semi-Annual Project Compliance Report	07/31/06	07/31/06								
M-045-00B	Complete specified "near term" SST waste retrieval and interim closure activities, to result in the retrieval of all tank wastes in WMA-C SSTs pursuant to the agreement criteria in milestone M-45-00.	09/30/06						X			

Fiscal Year 2006 Tri-Party Agreement Milestone Status

Milestone No.	Description	Due Date	Completed	Forecast		Recoverable	Unrecoverable	Missed	Pending Deletion	Deleted	Change Pending
				On Schedule	Schedule at Risk						
M-045-00C	Initiate negotiation of SST waste retrieval and closure activities and associated schedules (for the period February 07 through August 08).	09/30/06						X			

FY 2007 MILESTONE PERFORMANCE



Fiscal Year 2007 Tri-Party Agreement Milestone Status

Milestone No.	Description	Due Date	Completed	Forecast		Recoverable	Unrecoverable	Missed	Pending Deletion	Deleted	Change Pending
				On Schedule	Schedule at Risk						
D-001-00-R30	DOE Shall, On A Quarterly Basis, Submit To Ecology A Written Report Documenting Tank Stabilization Activities That Occurred During The Period Covered By The Report. This Written Report Shall Provide The Status Of Progress Made During The Reporting Period.	10/31/06	10/31/06								
M-062-03	Submit DOE Petition for RCRA Delisting of Vitrified HLW	12/31/06	12/31/06								
M-045-00C-A	Ecology and DOE negotiations under this milestone shall be completed within 120 days. In the event the parties do not reach agreement within timeframe, the negotiations will be resolved as a resolution of dispute via final determination. Unless otherwise agreed by Ecology and DOE, this final determination will be issued within 150 days of initiation of negotiations.	01/28/07						X			
M-062-01N	Submit Semi-Annual Project Compliance Report	01/31/07	01/31/07								

Fiscal Year 2007 Tri-Party Agreement Milestone Status

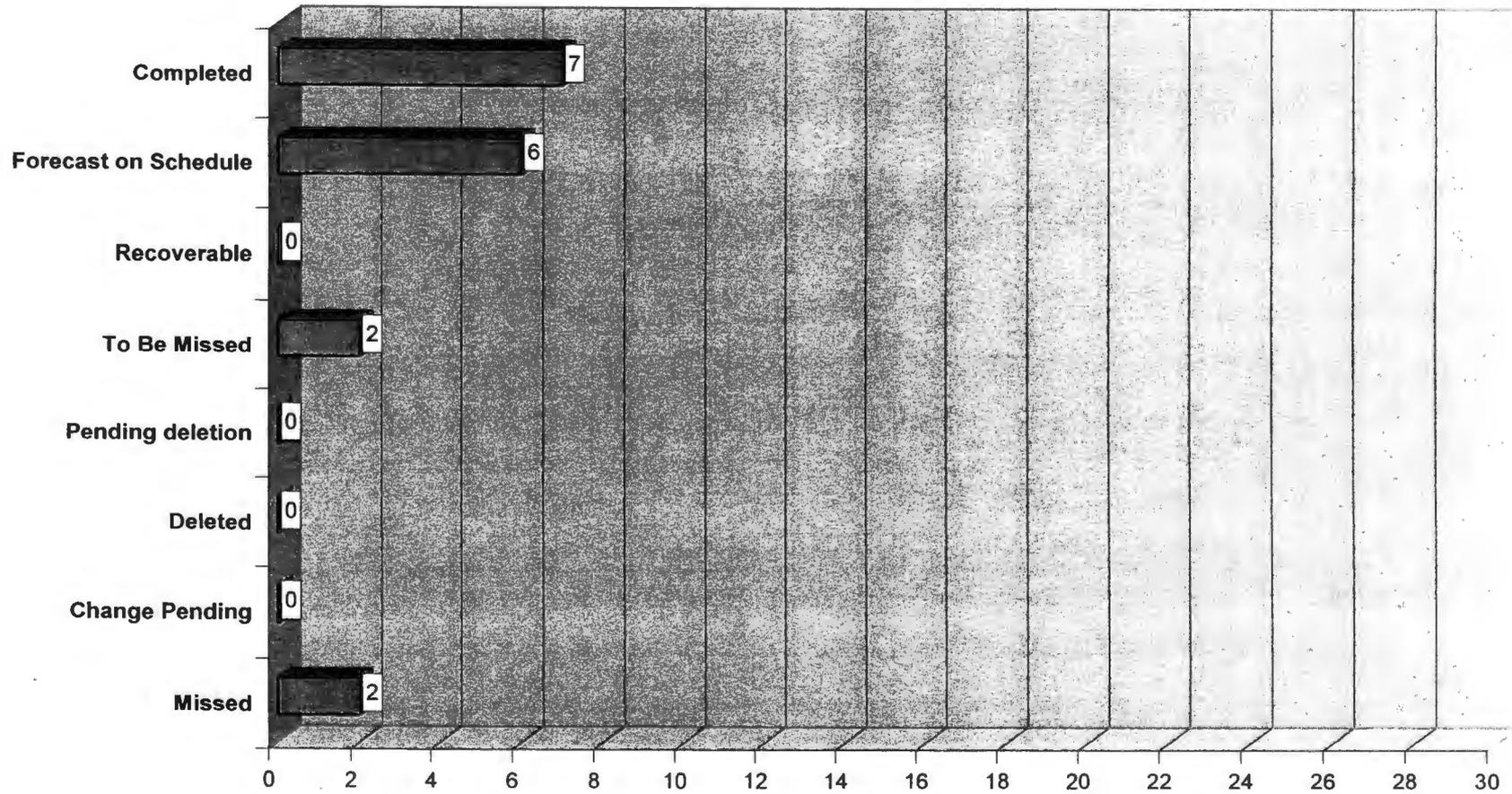
Milestone No.	Description	Due Date	Completed	Forecast		Recoverable	Unrecoverable	Missed	Pending Deletion	Deleted	Change Pending
				On Schedule	Schedule at Risk						
D-001-00-R31	DOE Shall, On A Quarterly Basis, Submit To Ecology A Written Report Documenting Tank Stabilization Activities That Occurred During The Period Covered By The Report. This Written Report Shall Provide The Status Of Progress Made During The Reporting Period.	01/31/07	01/31/07								
M-045-05A	Complete Waste Retrieval from S-102	3/31/07						X			
D-001-00-R32	DOE Shall, On A Quarterly Basis, Submit To Ecology A Written Report Documenting Tank Stabilization Activities That Occurred During The Period Covered By The Report. This Written Report Shall Provide The Status Of Progress Made During The Reporting Period.	04/30/07	04/27/07								
M-062-11	Submit a Final Hanford Tank Waste Treatment Baseline. Following completion of negotiations required by M-62-08, DOE will modify its draft baseline as required and submit its revised, agreed-to baseline for treating all Hanford Tank Waste (HLW, LAW, and TRU) by 12/31/2028.	06/30/07						X			
M-045-56C	Ecology and DOE agree, at a minimum, to meet yearly (by July or as needed to support annual budgeting) for the specific purpose of assessing the adequacy of information, and the need for the	07/31/07	07/31/07								

Fiscal Year 2007 Tri-Party Agreement Milestone Status

Milestone No.	Description	Due Date	Completed	Forecast		Recoverable	Unrecoverable	Missed	Pending Deletion	Deleted	Change Pending
				On Schedule	Schedule at Risk						
	establishment of additional agreement interim measures.										
D-001-00-R33	DOE Shall, On A Quarterly Basis, Submit To Ecology A Written Report Documenting Tank Stabilization Activities That Occurred During The Period Covered By The Report. This Written Report Shall Provide The Status Of Progress Made During The Reporting Period.	07/31/07	07/30/07								
M-062-010	Submit Semi-Annual Project Compliance Report	07/31/07	07/31/07								
M-048-15	Submit a report to Ecology for the re-examination of six (6) DSTs by ultrasonic testing in all areas previously examined to provide comparative data from which to calculate corrosion rates in each of the six DSTs examined.	09/30/07	09/27/07								
M-045-05-T05	Initiate tank retrieval from five additional Single-Shell tanks.	09/30/07						X			
M-048-00	Complete Tank Integrity Assessment activities for Hanford's Double Shell Tank (DST) system.	09/30/07	09/27/07								

* Milestone has been completed by ORP, Ecology has not yet concurred.

FY 2008 MILESTONE PERFORMANCE



Fiscal Year 2008 Tri-Party Agreement Milestone Status

Milestone No.	Description	Due Date	Completed	Forecast		Recoverable	Will Be Missed	Missed	Pending Deletion	Deleted	Change Pending
				On Schedule	Schedule at Risk						
D-001-00-R34	DOE Shall, On A Quarterly Basis, Submit To Ecology A Written Report Documenting Tank Stabilization Activities That Occurred During The Period Covered By The Report. This Written Report Shall Provide The Status Of Progress Made During The Reporting Period.	10/31/07	10/31/07								
M-045-13-A	Submit to Ecology a Retrieval Data Report for S-112 pursuant to Agreement Appendix I	12/31/07	12/21/07								
M-045-13-B	Remaining waste have been adequately characterized, and a risk assessment completed for S-112 residuals that remain in the tank	12/31/07	12/21/07								
M-062-07B	Complete Assembly of LAW Vitrification Facility melter #1 and complete move of #1 melter into the HLW Vitrification Facility	12/31/07						X			
M-062-01P	Submit Semi-Annual Project Compliance Report	01/31/08	01/31/08								
M-045-55	Submit to Ecology a Phase 1 RFI report integrating results of data gathering activities and evaluations for all SST WMAs	01/31/08	01/30/08								
D-001-00-R35	DOE shall, on a quarterly basis, submit to Ecology a written report documenting tank stabilization activities that occurred during the period covered by the report. This written report shall provide the status of progress made during the	01/31/08	01/31/08								

Fiscal Year 2008 Tri-Party Agreement Milestone Status

Milestone No.	Description	Due Date	Completed	Forecast		Recoverable	Will Be Missed	Missed	Pending Deletion	Deleted	Change Pending
				On Schedule	Schedule at Risk						
	reporting period.										
M-045-00D	Initiate negotiations of SST waste retrieval and closure for 2008-2013	01/31/08						X			
M-045-02N	Submit Biennial Update	03/01/08		X							
M-045-02N-A	Three Parties shall meet to establish new milestones within 60 days, if required, for acquisition of additional tanks	04/30/08		X							
D-001-00-R36	DOE shall, on a quarterly basis, submit to ecology a written report documenting tank stabilization activities that occurred during the period covered by the report. This written report shall provide the status of progress made during the reporting period.	04/30/08		X							
M-045-00D-A	Negotiations shall be complete within 150 days	06/29/08					X				
M-045-56D	Ecology and DOE agree, at a minimum, to meet yearly (by July or as needed to support annual budgeting) for the specific purpose of assessing the adequacy of information, and the need for the establishment of additional agreement interim measures.	07/01/08		X							
D-001-00-R37	DOE shall, on a quarterly basis, submit to ecology a written report documenting tank stabilization activities that occurred during the period covered by the report. This written report shall provide the status of progress made during the reporting period.	07/31/08		X							
M-062-01Q	Submit Semi-Annual Project	07/31/08		X							

Fiscal Year 2008 Tri-Party Agreement Milestone Status

Milestone No.	Description	Due Date	Completed	Forecast		Recoverable	Will Be Missed	Missed	Pending Deletion	Deleted	Change Pending
				On Schedule	Schedule at Risk						
	Compliance Report										
M-090-10	Ready to accept placement of ILAW in ILAW Disposal Facility	08/31/08	02/13/07								
M-45-05-T06	Initiate tank retrieval from five additional SSTs	09/30/08					X				

Executive Summary

Earned Value Performance Measurement

In December 2007, the current month (CM) cost variance (CV) was a positive \$0.4M which increased the favorable contract-to-date (CTD) CV from \$44.1M to \$44.5M.

The CM CV of \$0.4M is due to cost savings and efficiencies in 1) TFC Program area including Shared Services, Miscellaneous Services, Legal Counsel, Manage Facilities and Property Services, and Finance (for favorable resolution of Defense Contract Audit Agency [DCAA] audit of Business and Occupation [B&O] taxes on Lockheed Martin Services, Inc. [LMSI] work; accrual for liability was reversed with no offsetting cost which created the CV); 2) C Farm Retrievals (C-104, C-108, C-110 and C Farm Infrastructure); 3) Closure Operations Single-Shell Tank (SST) Essential Services (partially offset by labor assigned to Maintenance Preventative Maintenance [PM]/Corrective Maintenance [CM]) and Infrastructure; 4) WFO Safe Storage Surveillance and Monitoring, Essential Services, Radiological Contamination (Radcon) Surveys, Project Controls, Management Training, Infrastructure and Database; 5) Progress taken on DST Infrastructure Upgrades (Advanced Work Authorization [AWA] for resolution of valve positioning issue) and Liquid Mitigation of Catch Tanks/Double Contained Receiver Tanks (DCRTs); 6) Tank Chemistry Control (fabrication savings on AN-102 corrosion probe); and 7) Miscellaneous other efficiencies and cost savings in Safety, Health and Quality Assurance and Strategic Planning and Project Controls.

Favorable CM cost variances are partially offset by unfavorable variances related to 1) Unplanned costs for S-102 spill event investigation and cleanup; 2) T Farm Interim Barrier costs (design, procurement, construction and weather issues); 3) TFC Program Liquidations (one-time correction of November 2007 over-liquidation of General and Administrative [G&A] costs applied to Mound Pension); and 4) Miscellaneous other variances for SST and WFO including Technical Safety Requirement (TSR)/Basic Maintenance (cost to replace sanitary water system in 272-AW Building as corrective maintenance due to a health issue), Tank C-109 Hard Heel Removal (FOLDTRACK® MRT testing and deployment), DST Integrity Project (AP-107 UT and Infrastructure Integrity Assessment IQRPE costs), Project W-314 Upgrades (AP Farm, AN Farm and Master Pump Shutdown [MPS] System Upgrades and Turnover (resources to troubleshoot and as-built/document configuration) and Evaporator Upgrades (HVAC subcontractor and contaminated soil costs and MCS Upgrades CAT and engineering for software).

The CTD CV of \$44.5M is due to variances for 1) C-100 Tanks and infrastructure due to efficiencies in preparation and retrieval work for Tanks C-109, C-108, C-104, and C-110; 2) Efficiencies in S Farm tank retrievals; 3) Tank Farm Program support and Site Services savings and cost efficiencies in Shared Services, Miscellaneous Services, Liquidations, Executive Management, Legal, Information Resource Management, Manage Facilities and Property Services and Work Force Realignment and Restructure; 4) WFO due to savings and efficiencies in Surveillance and Monitoring, DST to DST Transfers, Project Controls, Cross-Site Transfers, Essential Services, AY/AZ Upgrades (use of spare pump for AZ-102 replacement instead of new procurement), Isolation of Transfer System Components and miscellaneous other accounts; 5) Closure Operations Base Operations due to efficiencies in

the Essential Services and Infrastructure accounts; 6) 222-S Laboratory Services due to less than planned dedicated and matrixed staff, planning labor rates being greater than actual costs, and revised waste volume projections for 222-S base services less than originally planned; and 7) Labor efficiencies and cost savings in other areas including Engineering, Safe Work Environment/Personnel Readiness, Safety, Health and Quality Assurance and Strategic Planning and Project Controls.

These favorable CTD CVs are partially offset by unfavorable variances for 1) Low-Activity Waste (LAW) Treatment due to DBVS design labor and subcontract costs incurred in FY 2006; 2) Vadose Zone due to T Farm Interim Barrier construction costs higher than baseline estimates due to design, procurement, construction and weather issues; 3) C-100 and C-200 Tanks due to overruns on C-103 and C-201 to C-204 retrievals due to technical difficulties; 4) Office of the Vice President (VP) Project Delivery due to additional resources necessary to manage unplanned work for the Expert Review Panel (ERP) issues resolution, Molten Ionic Salt issue resolution, the Integrated Dryer and Melter Test and a cost correction for exhauster fabrication; 5) Chief Financial Officer-Business Services due to an early pension payment of \$11M which offsets an under-liquidation of Continuity of Service (COS) Benefits applied to salary costs; 6) SST and WFO Technical Safety Requirement/Basic Maintenance; and 7) Unplanned costs for the S-102 spill event investigation and recovery. The CTD CPI remains at 1.07.

Action: Unfavorable variances for completed work are not recoverable. Unfavorable variances for the S-102 spill event corrective action plan, investigation and cleanup are not recoverable as this work is unplanned and no budget is assigned to it. The early pension payment will be recovered in FY 2008 through a reduced COS rate applied to labor. Measures have been implemented to reduce the remaining cost of the T Farm Interim Barrier construction.

Schedule Variance Analysis:

In December 2007, the CM schedule variance (SV) was a negative \$0.3M which decreased the CTD favorable SV from \$47.1M to \$46.8M.

The CM unfavorable SV of -\$0.3M is due to 1) Tank C-109 Retrieval. The CM SV for this Retrieval is -\$1.3M which drives the overall unfavorable variance at the Company level. However, this SV does not reflect a behind schedule condition as the work was completed earlier than the budget was planned in the baseline. CTD, this work is ahead of schedule. The BCWP for work budgeted this month was earned in prior months when the work was completed early; 2) Behind schedule on the HIHTL Disposition Project work and 3) minor behind schedule variances for the WFO Waste Compatibility Program (delay in buoyant displacement gas release event [BDGRE] scope for Tank C-110 Retrieval) and Tank Chemistry Control (AY annulus inspection for water intrusion and AY-102 corrosion probe fabrication and installation).

The unfavorable CM SV is nearly offset by favorable SVs for 1) Work performed ahead of schedule for 242-A Evaporator Upgrades (MCS System and HVAC System) and DBVS Engineering During Construction (A-E progress on redesign to support CD-3); 2) Accelerated work performed for Tank C-104/AN-101 Retrieval, C-110 Retrieval, C Farm Infrastructure,

Project W-314 and DBVS Technology Development (completion of IDMT), and 3) Progress taken on DST Infrastructure Upgrades for AWA to resolve the DST valve positioning issue.

The CTD positive SV is due to 1) C-100 Tank accelerated work on C-104 and C-110 retrievals, C Farm Infrastructure and work completed ahead of schedule for C-108 and C-109 retrievals; 2) LAW Treatment accelerated work for DBVS Technology Development and Design to address ERP issues (IDMT); 3) Tank S-102 Retrieval accelerated work; 4) W-314 Project accelerated work for completion and turnover of AN, AP, AW, SY Farms electrical and ventilation exhausters upgrades, and the Master Pump Shutdown/MCS; 5) WFO Base Operations accelerated work for cross-site transfers and the SY prefabricated pump pit line replacement, as well as work completed ahead of schedule for DST to DST transfers and 242-A Evaporator campaign, all in support of SST retrievals; 6) Accelerated work for AY/AZ Upgrades (AZ-102 pump replacement); 7) Accelerated work on vapor mitigation; and 8) Ahead of schedule work on the 242-A Evaporator Upgrades (MCS and supply side HVAC).

These favorable CTD SVs have minor, partially offsetting unfavorable variances for 1) Closure Projects due to delays in the HIHTL Disposition Project pending a Life Extension Study and agreement with Regulators on a path forward, and delays in the 244-CR Vault work and Liquid Mitigation of Catch Tanks/Double-Contained Receiver Tanks (S-302) due to required alternate pump replacements; 2) WFO Projects due to DST Infrastructure Upgrades (delays in initiating work on SL-3160 encasement leak check [low priority; potential deferral] and DST valve replacement [cancellation]; behind schedule on the AP Farm Upgrades (AP-101 jumper installation [behind schedule] and AP-103 in-process leak check [potential deferral]); Chemistry Control for AY Farm Annulus Water Intrusion testing [new technology being examined] and AY-102 corrosion probe (potential deferral); and Waste Compatibility Program for delay in BDGRE work (not needed due to delay in Tank C-110 Retrieval); and 3) 222-S Laboratory Base Services due to delays in installation of the Inductively Coupled Plasma Mass Spectrometer (ICP/MS). The CTD SPI is 1.07.

Action: The favorable SV will continue for accelerated and ahead of schedule work. Based on negotiations reached with ORP and the Regulators, the HIHTL Disposition Project work is being re-prioritized and re-planned via pending BCR RPP-08-005; S Farm Engineering and planning work has started to investigate and survey the S Farm pits and lines. The 244-CR Vault is being evaluated for potential deferral. The work for Liquid Mitigation of Catch Tanks has resumed and an alternate pump is expected to be delivered in January 2008. The remainder of AY-102 corrosion probe work is being deferred via pending BCR RPP-08-002. Tank C-110 BDGRE work and SL-3160 Encasement leak check scope have been identified as potential carryover work and continue to be evaluated. The final approach to resolve the DST valve positioning issue will be addressed by pending BCR RPP-08-001. The ICP/MS work has resumed and will be completed in January 2008.

CURRENT MONTH PERFORMANCE - CHART

CH2M HILL Hanford Group, Inc.
CURRENT MONTH PERFORMANCE MEASUREMENT - 12/2007
BY WORK BREAKDOWN STRUCTURE
 Dollars in Thousands

WBS	TITLE	Current Month						
		Budgeted Cost			Variance			
		Work Scheduled	Work Performed	Actual Cost Work Performed	Schedule	SV %	Cost	CV %
5.07	BASE OPERATIONS - Excluding 5.07.02	11,119.3	11,519.7	9,570.4	400.4	3.6%	1,949.3	16.9%
5.07.02	Env/TPA Milestone Achievement	<u>1,043.2</u>	<u>1,003.0</u>	<u>1,148.9</u>	<u>(40.1)</u>	-3.8%	<u>(145.9)</u>	-14.5%
	TOTAL BASE OPERATIONS	<u>12,162.5</u>	<u>12,522.7</u>	<u>10,719.2</u>	<u>360.2</u>	3.0%	<u>1,803.5</u>	14.4%
5.08	RETRIEVE AND CLOSE - Excluding foll. WBS Elements	0.0	0.0	0.0	0.0	0.0%	0.0	0.0%
5.08.02	WTP Feed Delivery Program	585.6	585.3	454.8	(0.3)	-0.1%	130.5	22.3%
5.08.03	DST Retrieval Program	0.0	0.0	9.6	0.0	0.0%	(9.6)	-9.6%
5.08.04.01	Tank Farm Restoration and Safe Operations (W-314)	0.0	148.8	424.8	148.8	148.8%	(276.0)	-185.5%
5.08.04.02	Upgrade Transfer System (E-525)	0.0	0.0	0.0	0.0	0.0%	0.0	0.0%
5.08.05	Retrieval / Closure Program	4,292.3	3,711.1	3,944.3	(581.3)	-13.5%	(233.2)	-6.3%
5.08.06/.07	SST Retrieval East / West Area	1,778.7	1,193.9	2,196.0	(584.7)	-32.9%	(1,002.1)	-83.9%
5.08.12/.13	SST Closure	<u>25.7</u>	<u>25.7</u>	<u>18.9</u>	<u>0.0</u>	0.0%	<u>6.8</u>	26.5%
	TOTAL RETRIEVE AND CLOSE	<u>6,682.3</u>	<u>5,664.8</u>	<u>7,048.4</u>	<u>(1,017.5)</u>	-15.2%	<u>(1,383.6)</u>	-24.4%
5.09	TREAT AND DISPOSE WASTE - Excl. foll. WBS Elements	408.6	410.2	359.0	1.6	0.4%	51.2	12.5%
5.09.02.02	TRU / LLW Packaging	0.0	0.0	0.0	0.0	0.0%	0.0	0.0%
5.09.02.03/.08	LAW Treatment	57.4	59.5	45.7	2.1	3.7%	13.8	23.2%
5.09.02.05/.11	Bulk Vitrification System (BVS) Project	242.5	602.8	716.1	360.3	148.6%	(113.3)	-18.8%
5.09.03.01	Integrated Disposal Facility	0.0	0.0	0.0	0.0	0.0%	0.0	0.0%
5.09.03.04	Initial IHLW Storage Facility (W-464)	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	0.0%	<u>0.0</u>	0.0%
	TOTAL TREAT AND DISPOSE WASTE	<u>708.5</u>	<u>1,072.5</u>	<u>1,120.9</u>	<u>364.0</u>	51.4%	<u>(48.3)</u>	-4.5%
5.10	ANALYTICAL/TECHNICAL SERVICES	<u>2,158.6</u>	<u>2,142.8</u>	<u>2,091.9</u>	<u>(15.8)</u>	-0.7%	<u>50.9</u>	2.4%
TFC TOTAL		<u>21,711.9</u>	<u>21,402.9</u>	<u>20,980.4</u>	<u>(309.0)</u>	-1.4%	<u>422.5</u>	2.0%

CONTRACT-TO-DATE PERFORMANCE - CHART

CH2M HILL Hanford Group, Inc.
CONTRACT-TO-DATE PERFORMANCE MEASUREMENT - 10/2005 - 12/2007
BY WORK BREAKDOWN STRUCTURE
Dollars in Thousands

WBS	TITLE	Cumulative Contract-To-Date									
		Budgeted Cost			Variance				Budget at Completion (BAC)*	Accelerated Scope**	Estimate at Completion (EAC)***
		Work Scheduled	Work Performed	Actual Cost Work Performed	Schedule	SV %	Cost	CV %			
5.07	BASE OPERATIONS - Excluding 5.07.02	307,202.9	308,333.2	285,929.4	1,130.4	0.4%	22,403.9	7.3%	414,933.4	3,399.2	383,061.5
5.07.02	Env/TPA Milestone Achievement	<u>39,207.7</u>	<u>42,271.1</u>	<u>41,174.5</u>	<u>3,063.4</u>	7.8%	<u>1,096.6</u>	2.6%	<u>48,986.5</u>	<u>6,166.3</u>	<u>53,227.9</u>
	TOTAL BASE OPERATIONS	<u>346,410.6</u>	<u>350,604.3</u>	<u>327,103.8</u>	<u>4,193.7</u>	1.2%	<u>23,500.5</u>	6.7%	<u>463,919.9</u>	<u>9,565.5</u>	<u>436,289.4</u>
5.08	RETRIEVE AND CLOSE - Excluding foll. WBS Elements	0.0	268.4	209.3	268.4	268.4%	59.0	22.0%	0.0	298.1	220.1
5.08.02	WTP Feed Delivery Program	16,310.1	16,309.8	14,551.4	(0.3)	0.0%	1,758.4	10.8%	22,019.8	0.0	19,882.0
5.08.03	DST Retrieval Program	1,676.3	1,984.2	2,229.7	307.9	18.4%	(245.5)	-12.4%	1,676.3	1,338.9	2,528.9
5.08.04.01	Tank Farm Restoration and Safe Operations (W-314)	2,865.8	7,009.1	7,733.6	4,143.4	144.6%	(724.4)	-10.3%	2,865.8	7,892.0	9,930.4
5.08.04.02	Upgrade Transfer System (E-525)	2,712.4	2,712.4	2,982.8	0.0	0.0%	(270.4)	-10.0%	2,712.4	0.0	2,982.8
5.08.05	Retrieval / Closure Program	113,060.8	110,283.0	104,653.0	(2,777.9)	-2.5%	5,629.9	5.1%	148,974.5	0.0	141,676.8
5.08.06/07	SST Retrieval East / West Area	46,453.0	73,198.5	65,605.1	26,745.5	57.6%	7,593.3	10.4%	52,240.1	60,277.1	86,171.2
5.08.12/13	SST Closure	<u>851.1</u>	<u>851.1</u>	<u>831.7</u>	<u>0.0</u>	0.0%	<u>19.3</u>	2.3%	<u>1,101.8</u>	<u>0.0</u>	<u>1,132.2</u>
	TOTAL RETRIEVE AND CLOSE	<u>183,929.4</u>	<u>212,616.4</u>	<u>198,796.8</u>	<u>28,687.0</u>	15.6%	<u>13,819.6</u>	6.5%	<u>231,590.7</u>	<u>69,806.1</u>	<u>264,524.4</u>
5.09	TREAT AND DISPOSE WASTE - Excl. foll. WBS Elements	9,919.9	9,924.4	8,011.4	4.5	0.0%	1,913.0	19.3%	13,904.0	0.0	11,268.4
5.09.02.02	TRU / LLW Packaging	0.0	0.0	65.6	0.0	0.0%	(65.6)	-65.6%	0.0	0.0	65.6
5.09.02.03/08	LAW Treatment	1,590.6	1,592.6	1,579.7	2.1	0.1%	12.9	0.8%	2,150.2	0.0	2,041.2
5.09.02.05/11	Bulk Vitrification System (BVS) Project	27,342.4	41,557.0	44,084.9	14,214.6	52.0%	(2,528.0)	-6.1%	28,231.4	13,841.7	45,627.3
5.09.03.01	Integrated Disposal Facility	7,132.9	7,132.9	5,366.1	0.0	0.0%	1,766.8	24.8%	7,132.9	0.0	5,366.1
5.09.03.04	Initial IHLW Storage Facility (W-464)	<u>109.4</u>	<u>109.4</u>	<u>35.1</u>	<u>0.0</u>	0.0%	<u>74.3</u>	67.9%	<u>109.4</u>	<u>0.0</u>	<u>35.1</u>
	TOTAL TREAT AND DISPOSE WASTE	<u>46,095.2</u>	<u>60,316.3</u>	<u>59,142.9</u>	<u>14,221.1</u>	30.9%	<u>1,173.4</u>	1.9%	<u>51,527.8</u>	<u>13,841.7</u>	<u>64,403.7</u>
5.10	ANALYTICAL/TECHNICAL SERVICES	<u>55,365.7</u>	<u>55,082.2</u>	<u>49,030.2</u>	<u>(283.5)</u>	-0.5%	<u>6,052.0</u>	11.0%	<u>76,652.5</u>	<u>0.0</u>	<u>68,064.1</u>
TFC TOTAL		<u>631,800.9</u>	<u>678,619.2</u>	<u>634,073.7</u>	<u>46,818.3</u>	<u>7.4%</u>	<u>44,545.5</u>	<u>6.6%</u>	<u>823,690.9</u>	<u>93,213.4</u>	<u>833,281.6</u>
						BAC					<u>823,690.9</u>
						Adjusted Total with Accelerated Scope				<u>916,904.3</u>	

* BAC on this chart and in succeeding Cumulative Performance tables is for the period FY 2006 - FY 2008.

** The following accelerated work is included in the EAC and in the adjusted total: Tanks 241-C-104, 241-C-110, 241-S-102 Retrievals; W-314 and WFO Upgrades work; Cross-Site Transfer; and DBVS Technology Development.

*** EAC on this chart is for the contract period (through FY 2008).

EARNED VALUE PERFORMANCE

5.07 - BASE OPERATIONS (EXCLUDES 5.07.02)

Scope Description: The baseline scope for this Work Breakdown Structure (WBS) includes monitoring and maintaining the DSTs and equipment in compliance with TSRs, and Environmental, Safety, Health and Quality programmatic requirements. This scope also includes necessary support activities such as project management, engineering, business services, and support to training and procedures. Base Operations also provides site, shared, and miscellaneous services including Service Assessment Pool and Advanced Medical Services. In addition, the contract fee for FY 2006 is included.

	BCWS	BCWP	ACWP	SV	CV	BAC
CM	11,119.3	11,519.7	9,570.4	400.4 3.6%	1,949.3 16.9%	
CTD	307,202.9	308,333.2	285,929.4	1,130.4 0.4%	22,403.9 7.3%	414,933.4

Note (All tables): Dollars in thousands.

SCHEDULE VARIANCE

Description and Cause: The CTD schedule variance is due to 1) accelerated work completed on the vapors solutions (T and B Farms) and AY/AZ Upgrades (AZ-102 pump replacement) and 2) work completed early (ahead of schedule) on Evaporator Upgrades (MCS and supply side HVAC). These favorable variances are partially offset by unfavorable variances for 1) DST Infrastructure Upgrades (delay in start of SL-3160 Encasement leak check [low priority; potential deferral]) and DST valve replacement [cancelled]; 2) AP Farm Upgrades (AP-101 jumper installation [behind schedule] and AP-103 in-process leak check [potential deferral]); 3) Information Resource Management (Official Use Only and Cyber Security activities slightly behind schedule), 4) Tank Chemistry Control (AY Annulus Water Intrusion testing [new technology being examined] and AY-102 corrosion probe [potential deferral]; and 5) WFO Waste Compatibility Program (delay in BDGRE work [not needed due to delay in Tank C-110 Retrieval]).

Impact: Re-prioritization and re-planning of some work required.

Corrective Action: The schedule variance will continue for accelerated work. The remainder of AY-102 corrosion probe work is being deferred via pending BCR RPP-08-002. The Tank C-110 BDGRE work and SL-3160 Encasement leak check scope have been identified as potential carryover work and continue to be evaluated. The final approach to resolve the DST valve positioning issue will be addressed by pending BCR RPP-08-001.

COST VARIANCE

Description and Cause: Significant contributors to the CM favorable CV include 1) Project Support cost efficiencies including Finance (for favorable resolution of DCAA audit of B&O taxes on LMSI work; accrual for liability was reversed with no offsetting cost which created the CV), Standards and Compliance, Manage Facilities and Property, RPP Baseline Integration Support, Legal Counsel and Production Planning and Controls; 2) Efficiencies in Essential Services (Fluor Hanford, Inc. [FH] allocation for Site-Wide Services and Shared Services and Miscellaneous Services [AMH, Technical Library, RL SAP Allocation and miscellaneous others]) and more employees worked for others than anticipated in the baseline causing a favorable liquidation of

labor; 3) Efficiencies in Base Operations for Tank Chemistry Control (fabrication of AN-102 corrosion probe costing less than planned); Tank Waste Sampling (labor costs and crane and rigging less than planned for core and grab samples) and other areas (WFO Safe Storage Surveillance and monitoring, WFO Essential Services, Radiation Protection Program, Industrial Health and Safety, Radcon Surveys and miscellaneous others; and 4) Other Mission Support including DST Infrastructure Upgrades (progress taken on AWA for resolution of valve positioning issue) and AY/AZ Upgrades Project (spare pump used for AZ-102 replacement instead of new procurement).

The favorable CM variances are partially offset by minor unfavorable variances in 1) Essential Services Liquidations (one-time correction of November over-liquidation of G&A costs applied to Mound Pension); 2) Other Mission Support for Evaporator Upgrades (HVAC System subcontractor construction costs including contaminated soils, increased level of CAT and engineering support necessary to develop the software documentation for the MCS Upgrade); and 3) WFO TSR/Basic Maintenance (CMs/PMs on overtime due to support to Projects on day shift and costs to replace the sanitary water system in the 272-AW Building as corrective maintenance due to health issue).

Significant contributors to the CTD favorable CV include efficiencies and cost savings in 1) Essential Services (FH allocation for Site-Wide Services and Shared Services and Miscellaneous Services) and liquidation of COS rates on labor (more employees worked for others than anticipated in the baseline); 2) Ongoing efficiencies in Base Operations (WFO Safe Storage Surveillance and Monitoring, Tank Waste Sampling, Engineering Program, Industrial Health and Safety/Health and Safety Plan (HASP), Quality Assurance [QA] Program, Assessments, Price-Anderson Amendment Act of 1988 Program, WFO Essential Services, WFO Facilities Operations Management, WFO Bargaining Unit Training and Nuclear Operations Program Management); 3) Ongoing efficiencies in Project Support (RPP Baseline Integration Support, Information Resource Management, TFC Executive Management, Legal Counsel, Manage Facilities and Property Services and Standards and Compliance); and 4) Other Mission Support efficiencies on AY/AZ Upgrades (use of spare pump for AZ-102 replacement instead of new procurement) and Work Force Realignment and Restructure (fewer employees impacted by Involuntary Reduction of Force in 2006 than anticipated).

The favorable CTD variances are partially offset by unfavorable variances related to WFO TSR/Basic Maintenance (efforts to reduce the PM/CM backlog and support to S Farm Retrieval acceleration including DST to DST Transfers and Cross-Site Transfer, electrical outages and cathodic protection); WFO Parts/Materials/Tools (fabrication costs for jumpers and parts, purchase of cameras, parts and materials for PMs/CMs, and materials to support additional DST to DST and Cross-Site Transfers); WFO Radcon Surveys (FY06 costs for additional surveillances/routines on overtime and additional laboratory costs incurred); Tank Chemistry Control (AN-107 Probe costs); Environmental Health Program costs (vapors sampling support and ATL Readiness to Serve adder); Labor Relations (subcontractor support to Hanford Atomic Metal Trades Council Contract negotiations and ratification); Procurement and Contracts costs (work performed on the Marshalling Yard and Connector Road Improvements); Finance (early pension payment of \$11M was made in September 2007 which offset CTD under liquidations of COS Benefits applied to salary costs); and Evaporator Upgrades (for HVAC System subcontractor costs and MCS software development).

Impact: None.

5.07 – BASE OPERATIONS (EXCLUDES 5.07.02) - CONTINUED

Corrective Action: The early pension payment will be recovered by the application of a reduced COS rate on FY 2008 labor. The favorable CVs are expected to continue for the ongoing level of effort Support and Base Operations accounts. The unfavorable cost variances for completed work are not recoverable. The accrual was adjusted in December for the over-liquidation of Mound Pension costs. Selected work is being reprioritized to meet mission objectives for the remainder of the Contract period and may result in some deferral of low priority activities.

5.07.02 - ENVIRONMENTAL/TRI-PARTY AGREEMENT MILESTONE ACHIEVEMENT

Scope Description: The baseline provides for the safe and compliant storage of the Hanford Site tank wastes until waste is retrieved for processing (currently 53 million gallons of waste in 177 SSTs and DSTs and approximately 60 miscellaneous underground storage tanks). This includes monitoring and maintaining activities associated with the Hanford Federal Facility Agreement and Consent Order, commonly referred to as the Tri-Party Agreement (TPA). Scope includes compliance efforts to meet TPA Milestones M-23, M-46, and M-48, including characterization, DST Space Management and DST Integrity. Scope includes transfer operations, and the operations and maintenance of the 242-A Evaporator to reduce the volume of waste stored in DSTs.

	BCWS	BCWP	ACWP	SV	CV	BAC
CM	1,043.2	1,003.0	1,148.9	(40.1) -3.8%	(145.9) -14.5%	
CTD	39,207.7	42,271.1	41,174.5	3,063.4 7.8%	1,096.6 2.6%	48,986.5

SCHEDULE VARIANCE

Description and Cause: The CM SV is within the threshold of +/- 10% or \$1M. The CTD favorable SV is due 1) accelerated work (planned outside the contract period in the baseline) completed for Cross-Site Transfers and the SY PPP Line Replacement, both in support of tank retrievals and 2) work completed early (ahead of schedule) for DST to DST Transfers (supports tank retrievals, Evaporator and tank level increases) and 242-A Evaporator Campaign 08-01.

Impact: None.

Corrective Action: None required.

COST VARIANCE

Description and Cause: The CM unfavorable CV is due to the DST Integrity Project costs associated with AP-107 UT support (equipment failures and data processing units) and DST Infrastructure Integrity Assessments due to the increased cost of IQRPE support for the 242-A Evaporator Integrity Assessment and UT.

The CTD favorable CV is due to 1) efficiencies in completing DST to DST Transfers, 2) Cross-Site Transfers, 3) DST Facility Upgrades Project Management and 3) the Environmental Support and Assessment Program. Favorable CVs are partially offset by unfavorable variances for 1) the DST Integrity Project (AP Valve Pit Integrity Assessment, AY-101 and AN-107 UT, Independent Qualified Registered Professional Engineer services and DST Infrastructure Integrity Assessment); 2) Catch Tank Pumping (UX-302-A and ER-311); 3) SY PPP Line Replacement; and 4) Increase Specific Gravity costs.

Impact: None.

Corrective Action: Lessons learned on the AP Valve Pit integrity work has been incorporated into ongoing work with notable improvements.

5.08 - RETRIEVE AND CLOSE (EXCLUDES 5.08.02/03; 5.08.04.01/02; 5.08.05/06/07/12/13)

Scope Description: In the future, specific life cycle scope in this WBS includes DST Retrieval and Closure, Closure of Long Term Facilities, and Post Closure Monitoring. These activities are all outside of the contract period reporting window. The scope also includes preparation of a 200-IS-1 Operable Unit Work Plan and Sampling and Analysis Plan as directed by the ORP.

	BCWS	BCWP	ACWP	SV	CV	BAC
CM	0.0	0.0	0.0	0.0 0.0%	0.0 0.0%	
CTD	0.0	268.4	209.3	268.4 268.4%	59.0 22.0%	0.0

SCHEDULE VARIANCE

Description and Cause: The CTD favorable SV is due to ORP directed acceleration of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 IS-1 work plans in support of the DOE, Richland Operations Office (RL) TPA M-15 Milestones.

Impact: None.

Corrective Action: None required.

COST VARIANCE

Description and Cause: The CTD favorable CV is due to cost savings in closure of old cross site transfer lines.

Impact: None.

Corrective Action: None required.

5.08.02 - WASTE TREATMENT PLANT FEED DELIVERY PROGRAM

Scope Description: The Waste Feed Delivery (WFD) program provides the minimum required technical analysis, waste characterization, and project definition activities necessary to provide waste to the Waste Treatment Plant (WTP). The WFD program work activities include a variety of cross-cutting programmatic activities supporting WFD to the waste treatment facilities, including characterization, WFD engineering and modeling support including management and maintenance of the retrieval and transfer technical baseline, WFD program/project management support, and DST retrieval/transfer management. This work element will provide feed delivery evaluations using the Hanford Tank Waste Operations Simulator model.

	BCWS	BCWP	ACWP	SV	CV	BAC
CM	585.6	585.3	454.8	(0.3) -0.1%	130.5 22.3%	
CTD	16,310.1	16,309.8	14,551.4	(0.3) 0.0%	1,758.4 10.8%	22,019.8

SCHEDULE VARIANCE

Description and Cause: The CM and CTD variances are within the threshold of ±10 percent or \$1M.

Impact: None.

Corrective Action: None required.

COST VARIANCE

Description and Cause: The CM CV is due to ongoing cost efficiencies in level of effort support for WFO Project Controls (improved systems, organizational realignment and co-location to improve performance), Startup and Testing and Tank Waste Database Support (staff reductions). The CTD favorable CV is due to ongoing cost efficiencies in level of effort labor for WFO Project Controls (improved systems, organizational realignment and co-location to improve performance); Startup and Testing (use of direct staff instead of subcontracted labor and reduced material usage); and Tank Waste Database Support (staff reductions). Favorable CV partially offset by unfavorable CV for Office of VP Project Delivery (additional unplanned DBVS staff assigned to manage ERP issue resolution and exhauster fabrication cost correction to support vapors).

Impact: None.

Corrective Action: None required.

5.08.03 - DST RETRIEVAL PROGRAM

Scope Description: The baseline for this WBS element includes activities required to plan, provide, and operate systems for retrieving waste from the DSTs, preparing it for feed to the WTP, and then transferring it to the WTP.

	BCWS	BCWP	ACWP	SV	CV	BAC
CM	0.0	0.0	9.6	0.0 0.0%	(9.6) -9.6%	
CTD	1,676.3	1,984.2	2,229.7	307.9 18.4%	(245.5) -12.4%	1,676.3

SCHEDULE VARIANCE

Description and Cause: The CTD favorable SV is due to acceleration of the Tank 241-AN-101 Retrieval Systems work (design, construction and startup) in support of Tank 241-C-104 Retrieval.

Impact: None.

Corrective Action: None required.

COST VARIANCE

Description and Cause: The CTD unfavorable CV is due to previous cost overruns on the AN-101 mixer pump procurement which is partially offset by cost efficiencies on accelerated work for the AN-101 Retrieval System and level of effort Project Support to Construction of DST Retrieval Systems.

Impact: None.

Corrective Action: None required.

5.08.04.01 - PROJECT W-314 (TANK FARM RESTORATION AND SAFE OPERATIONS)

Scope Description: The baseline for Project W-314 provides essential tank farm infrastructure upgrades to support WFD to the WTP and to correct environmental compliance deficiencies with the tank farm support systems. Work scope includes completion of the Waste Transfer System, AN, AP, AW, and SY Farm electrical Upgrades, AN and AW HVAC Exhausters and the MPS System and MCS. Project Management, Project Support and Startup, Testing, Readiness and Turnover to Operations are also included.

	BCWS	BCWP	ACWP	SV	CV	BAC
CM	0.0	148.8	424.8	148.8 148.8%	(276.0) -185.5%	
CTD	2,865.8	7,009.1	7,733.6	4,143.4 144.6%	(724.4) -10.3%	2,865.8

SCHEDULE VARIANCE

Description and Cause: The CM SV is due to acceleration of the Project W-314 AW Farm Upgrades and Startup, Testing and Turnover of the Phase 1 work (MPS/MCS) and Phase 2 work (Electrical Upgrades and HVAC Exhausters). The CTD favorable SV is due to the acceleration of Project W-314 work including all Farm electrical upgrades, the MPS/MCS, AN and AW HVAC Exhausters and Startup, Testing, Readiness and Turnover.

Impact: None.

Corrective Action: None required.

COST VARIANCE

Description and Cause: The CM CV is due to cost overruns to complete the AP Farm Upgrades (construction and Engineering effort for troubleshooting and Engineering to update and as-built project and facility documents), costs associated with the AN and AW HVAC exhausters testing and the Phase 1 Startup, Testing and Turnover of the MPS/MCS due to increased labor required for Engineering support to bring the system on-line, debugging of programming and test bed setup. The CTD CV is due to unfavorable variances on the AP Upgrades (construction and Engineering effort for troubleshooting and Engineering to update and as-built project and facility documents), costs to complete the AW Upgrades (FY 2007 costs for emergent construction activities on the encasement leak detectors), SY Upgrades (pit upgrades performed in FY 2006 and increased scope to complete the Upgrades [differing field conditions, troubleshooting and CAT]), increased cost of the Phase 1 Startup, Testing and Turnover of the MPS/MCS due to increased labor required for Engineering support to bring the system on-line, debugging of programming and test bed setup.

Unfavorable CV is partially offset by efficiencies in Phase 2 Startup, Testing and Turnover and Project Support.

Impact: None.

Corrective Action: Work is being reprioritized to support the mission objectives for the remainder of the Contract period. Completion of the Phase 1 MPS/MCS Startup, Testing and Turnover may be deferred.

5.08.04.02 - PROJECT E-525 (UPGRADE TRANSFER SYSTEMS)

Scope Description: The baseline for Project E-525 provides activities required to define, design, procure, construct, test, turnover, and manage modifications to a portion of the DST Transfer System. The scope of Project E-525 is further defined within the following five design/construction packages: 1) AZ-151 Catch Tank Replacement; 2) Clean-Out Box (COB) Modifications; 3) SY-Farm Transfer Lines; 4) 204-AR Load-Out Facility Transfer Line; and 5) Plutonium Finishing Plant Transfer Lines. These modifications brought a portion of the DST transfer system into compliance with Washington Administrative Code 173-303-640, in support of TPA Milestone M-43-00.

	BCWS	BCWP	ACWP	SV	CV	BAC
CM	0.0	0.0	0.0	0.0 0.0%	0.0 0.0%	
CTD	2,712.4	2,712.4	2,982.8	0.0 0.0%	(270.4) -10.0%	2,712.4

SCHEDULE VARIANCE

Description and Cause: No work has been performed on Project E-525 in the FY 2007 and FY 2008 period. The CTD SV is within the threshold of ±10 percent or \$1M.

Impact: None.

Corrective Action: None required.

COST VARIANCE

Description and Cause: The CTD unfavorable CV is due to cost overruns on construction of COBs and the SY-Farm Transfer Line Backfill (work performed on supplied air which was not budgeted for at the time). Unfavorable CV for construction is partially offset by cost efficiencies on the AZ-151 Catch Tank Bypass Construction and in level of effort Project Support.

Impact: None.

Corrective Action: None required.

5.08.05 - RETRIEVAL / CLOSURE PROGRAM

Scope Description: The baseline provides for Retrieval and Closure support activities in this WBS. Specifically, the scope includes program management, regulatory documentation, SST cross-site transfers, technology development, CTF management and maintenance, Vadose Zone support, inactive waste sites administration, Tank Farm Support Facilities/Transfer Systems. The scope also includes the Closure Project TSR/Basic Maintenance on SSTs, Closure Project Operations Essential Services, Closure Project Field Projects/Upgrades, and the solid waste management programs.

	BCWS	BCWP	ACWP	SV	CV	BAC
CM	4,292.3	3,711.1	3,944.3	(581.3) -13.5%	(233.2) -6.3%	
CTD	113,060. 8	110,283. 0	104,653. 0	(2,777.9) -2.5%	5,629.9 5.1%	148,974. 5

SCHEDULE VARIANCE

Description and Cause: The CM SV is due to behind schedule condition on the HIHTL Disposition Project (work was delayed pending preparation of a Life Extension Study and agreement with State Regulators on a path forward and schedule) and minor behind schedule conditions on the Liquid Mitigation of Catch Tanks/DCRTs and T-Farm Interim Barrier.

The CTD unfavorable SV is due to behind schedule condition on 1) HIHTL Disposition Project (work delayed pending preparation of a Life Extension Study and agreement with State Regulators on a path forward and schedule); 2) 244-CR Vault and Liquid Mitigation of Catch Tanks/double-contained receiver tanks (DCRTs) (field work on hold pending procurement and installation of alternate retrieval pumps); and 3) T Farm Interim Surface Barrier (design completed behind schedule and procurement/construction taking longer than expected due to scope and weather issues). Unfavorable CTD SV is partially offset by favorable variance for Vadose work ahead of schedule (direct push sampling and SGE).

Impact: Re-planning of some work will be required.

Corrective Actions: Based on negotiations with Regulators and the Life Extension Study, the HIHTL Disposition Project work for FY 2007 – FY 2009 is being re-planned via BCR RPP-08-005. S Farm HIHTL Disposition work will be supported in FY 2008. U Farm Disposition will be deferred to FY 2009. S Farm Engineering and planning work has started to investigate and survey the S Farm Pits and lines.

The T-Farm Interim Barrier work is forecast to be completed by the end of March 2008, weather permitting

The Liquid Mitigation of Catch Tanks/DCRTs fieldwork has resumed with S-302 solids analysis and redesign work to install the alternate pump expected to be delivered in January 2008.

5.08.05 - RETRIEVAL / CLOSURE PROGRAM - CONTINUED**COST VARIANCE**

Description and Cause: The CM CV is within the threshold of ± 10 percent or \$1M. The CTD favorable CV is due to 1) underruns in SST Operations Essential Services (labor planned in Essential Services being utilized in SST TSR/Basic Maintenance account to complete preventive and corrective maintenance activities); 2) cost savings on Isolate Transfer System Components work (FY 2006 labor and construction); 3) cost efficiencies in Infrastructure support from FH and Lockheed Martin Services (lower than projected support required); and 4) miscellaneous other cost efficiencies and savings in Grand Junction Gamma Logging, Tank Farms Risk Assessments (efficient use of in-house staff instead of subcontractors as planned), Retrieval Technology Development, CTF Management and Maintenance (lower share of cost as other programs used the facility) and Liquid Level and Video Assessment (under-runs on completed work).

The favorable CTD CVs are partially offset by unfavorable variances for 1) SST TSR Basic Maintenance (higher than expected costs being incurred to complete basic PMs/CMs; 2) Vadose RCRA Corrective Actions T Farm Interim Surface Barrier work exceeding the baseline estimates (design, procurement, weather and construction issues including additional steps to complete the required work such as transportation of soil into the respective area, grading and compaction of soil prior to placing material, development of an infiltration area for water run-off, interior trench and anchor supports for the material and associated material costs); and 3) CP Office of the VP (unplanned purchase of spare cameras and unplanned costs for vapor sampling for chemicals of concern).

Impact: T Farm Interim Surface Barrier costs at completion will exceed the budget.

Corrective Action: Measures have been implemented to reduce the costs on the remaining T Farm Interim Surface Barrier construction work (streamlined the management structure, implemented weather enclosure to apply polyurea in bad weather, optimized staff and started lessons learned which will be applied to future potential interim barrier work. Work is now forecast to complete by the end of March 2008.

5.08.06/07 - SST RETRIEVAL EAST / WEST AREA

Scope Description: The baseline for this element includes activities required for the retrieval of all 149 SSTs. The scope includes project management, design and engineering, retrieval procurement, retrieval system installation, and retrieval startup and readiness. Scope in this WBS also includes the operations of the SST retrieval systems, post retrieval sampling, and the retrieval

	BCWS	BCWP	ACWP	SV	CV	BAC
CM	1,778.7	1,193.9	2,196.0	(584.7) -32.9%	(1,002.1) -83.9%	
CTD	46,453.0	73,198.5	65,605.1	26,745.5 57.6%	7,593.3 10.4%	52,240.1

SCHEDULE VARIANCE

Description and Cause: The CM SV is due to Tank C-109 Retrieval. The CM SV for this Retrieval is -\$1.3M which drives the overall unfavorable variance at the Company level. However, this SV does not reflect a behind schedule condition as the work was completed earlier than the budget was planned in the baseline. CTD, this work is ahead of schedule. The BCWP for work budgeted this month was earned in prior months when the work was completed early. The C-109 variance is partially offset by favorable variances for accelerated work performed on Retrieval of Tanks C-104 and C-110 and C Farm Infrastructure.

The CTD favorable SV is due to accelerated work performed on retrieval of Tanks S-102, C-104, C-110 and C Farm Infrastructure; and work completed ahead of the contract period schedule on retrieval of Tanks C-108 and C-109 (design, construction, startup and retrieval).

Corrective Action: None required.

COST VARIANCE

Description and Cause: The CM unfavorable CV is due to unplanned costs for the Tank S-102 leak event investigation and cleanup and C-109 Hard Heel Removal (FOLDTRACK® MRT testing and deployment) which is partially offset by efficiencies on C-104 Retrieval (Design and Engineering), C-108 Retrieval, C-110 Retrieval (Design and Project Management) and C Farm Infrastructure (equipment removal for AN-101).

The CTD favorable CV is due to efficiencies on Retrieval of Tanks C-104, C-108, C-109, C-110, S-102, S-112 and S-109 (partial retrieval). The favorable CTD CV is partially offset by overruns on Tank C-103 Retrieval (equipment problems and increased sampling), Tanks C-201-204 Retrievals (equipment issues), C Farm Infrastructure and unplanned costs for S-102 leak event investigation, corrective action plan and cleanup.

Impact: The large favorable CV generated through retrieval efficiencies and savings is being reduced by S-102 recovery costs.

Corrective Action: Continued acceleration of C-104 and C-110 Hard Heel Removal using the FOLDTRACK® MRT will help minimize the unfavorable cost variance from S-102.

5.08.12/13 - SST CLOSURE

Scope Description: The baseline provides the scope for tank farm closure which includes those activities required for interim closure of each tank in the farm, followed by closure of the entire farm once all tanks within the farm are interim closed. Scope for interim closure of each tank includes characterization, engineering evaluation and reporting, deactivation and isolation of transfer lines, pits and penetrations to the tank, and placement of a grout layer in the bottom of the tank to stabilize the residual waste.

	BCWS	BCWP	ACWP	SV	CV	BAC
CM	25.7	25.7	18.9	0.0 0.0%	6.8 26.5%	
CTD	851.1	851.1	831.7	0.0 0.0%	19.3 2.3%	1,101.8

SCHEDULE VARIANCE

Description and Cause: The CM and CTD SV is within the threshold of ±10 percent or \$1M.

Impact: No impact.

Corrective Action: None required.

COST VARIANCE

Description and Cause: The CM CV is due to efficiencies in Closure Program Management. The CTD CV is within the threshold of ±10 percent or \$1M.

Impact: None.

Corrective Action: None required.

5.09 - TREAT AND DISPOSE WASTE (EXCLUDES WBS 5.09.02.02/.03/.05/.08/.11; 5.09.03.01/.04)

Scope Description: The baseline provides for the remaining scope for WBS 5.09, which includes the Infrastructure Services that provide for electrical power to the WTP, Strategic planning including the support to Optimization Studies, Project W-QQQ immobilized high-level waste (IHLW) Shipping Facility support, and support to the TPA Milestone M-62-08 deliverables. Also included are the Failed Melter Disposal System and future expansions to Integrated Disposal Facility (IDF). Both are outside of the contract-to-date reporting. Startup and Turnover, performance of Operations Readiness Reviews, and turnover of the constructed IDF to Operations are included in this WBS.

	BCWS	BCWP	ACWP	SV	CV	BAC
CM	408.6	410.2	359.0	1.6 0.4%	51.2 12.5%	
CTD	9,919.9	9,924.4	8,011.4	4.5 0.0%	1,913.0 19.3%	13,904.0

SCHEDULE VARIANCE

Description and Cause: The CM and CTD SV is within the threshold of ±10 percent or \$1M.

Impact: None.

Corrective Action: None required.

COST VARIANCE

Description and Cause: The CM favorable CV is due to Infrastructure Services Phase 1 (reduced electrical usage at the WTP), labor efficiencies in Supplemental Treatment Strategic Planning and Immobilized Low-Activity Waste (ILAW) Baseline Management and Systems Definition and Immobilized High Level Waste (IHLW) Systems Definition which are partially offset by IDF Operations costs to clean cell tank covers.

The CTD favorable CV is due to efficiencies in the aforementioned Strategic Planning and WTP electrical usage as well as underruns in the ILAW (Baseline Management, Systems Definition and Performance Assessment). The favorable CV is partially offset by overruns in the IDF Operations care and custody (equipment calibrations and performance testing, procedure development, training and habitat mitigation).

Impact: None.

Corrective Action: None required.

5.09.02.02 - TRU / LLW PACKAGING

Scope Description: The baseline provides for the design, construction, testing, operation, and decommissioning of a system to treat contact-handled transuranic mixed (CH-TRUM) waste for eventual shipment/disposal at the Waste Isolation Pilot Plant. 1) CH-TRUM Waste Packaging: Nine tanks are currently thought to contain CH-TRUM waste: four T-200 series SSTs, four B-200 series SSTs, and Tank 241-T-111; 2) Remote Handled transuranic mixed (RH-TRUM) Waste Packaging: Three tanks are currently thought to contain RH-TRUM waste: 241-AW-103, 241-AW-105 and 241-SY-102; and 3) Low-level waste (LLW) Packaging: activities required to operate a system to package LLW such that the packages can be sent to a licensed facility for disposal. One tank, 241-T-110, is currently thought to contain LLW. The volume of LLW in this tank is approximately 400,000 gallons.

	BCWS	BCWP	ACWP	SV	CV	BAC
CM	0.0	0.0	0.0	0.0 0.0%	0.0 0.0%	
CTD	0.0	0.0	65.6	0.0 0.0%	(65.6) -65.6%	0.0

SCHEDULE VARIANCE

Description and Cause: The CM and CTD SV are within the threshold of ±10 percent or \$1M.

Impact: None.

Corrective Action: None required.

COST VARIANCE

Description and Cause: The CTD unfavorable CV is due to residual costs received in early FY 2006.

Impact: None.

Corrective Action: None required.

5.09.02.03/08 - LAW TREATMENT

Scope Description: This work element includes the facilities and systems to treat LAW that will not be treated at the WTP. The work scope includes design, permitting, procurement, construction, startup and testing, readiness, operations, and decontamination and decommissioning of a treatment facility in the 200 East Area. Scope includes the same activities for a 200 West Area facility and a 200 West Area Pretreatment Facility.

	BCWS	BCWP	ACWP	SV	CV	BAC
CM	57.4	59.5	45.7	2.1 3.7%	13.8 23.2%	
CTD	1,590.6	1,592.6	1,579.7	2.1 0.1%	12.9 0.8%	2,150.2

SCHEDULE VARIANCE

Description and Cause: The CM and CTD SV is within the threshold of ±10 percent or \$1M.

Impact: None.

Corrective Action: None required.

COST VARIANCE

Description and Cause: The CM CV is due to accrual of costs associated with the Fractional Crystallization Technology Development test setup work at SRNL. The CTD CV is within the threshold of ±10 percent or \$1M.

Impact: None.

Corrective Action: None required.

5.09.02.05/11 - DEMONSTRATION BULK VITRIFICATION SYSTEM PROJECT

Scope Description: The baseline provides work scope to issue procurement package and award contract; contract costs; support contract costs; and direct labor costs for project management and control, permitting, safety document preparation, readiness review activities, and engineering for the following: vendor design, fabrication, construction, installation, testing and operation of a Supplemental Treatment Test and Demonstration Facility; vendor design and fabrication of a salt waste retrieval system; and vendor design and construction required for Supplemental Treatment Test and Demonstration Facility site preparation, including infrastructure. The following is also provided: direct labor costs for installation, startup and operation of a salt waste retrieval system; material and utility costs in support of Supplemental Technology Demonstrations; and decontamination and decommissioning costs associated with Supplemental Technology Demonstrations.

	BCWS	BCWP	ACWP	SV	CV	BAC
CM	242.5	602.8	716.1	360.3 148.6%	(113.3) -18.8%	
CTD	27,342.4	41,557.0	44,084.9	14,214.6 52.0%	(2,528.0) -6.1%	28,231.4

SCHEDULE VARIANCE

Description and Cause: The CM and CTD favorable SVs are due to accelerated work performed on the DBVS Project to support resolution of the ERP issues/final design (IDMT, Molten Ionic Salts and CD-2) and minor favorable variances for DBVS Engineering During Construction (Architect-Engineer progress on work planned in FY 2008 for redesign to support Critical Decision 3)

Impact: None.

Corrective Action: None.

COST VARIANCE

Description and Cause: The CM unfavorable CV is due to minor cost overruns in DBVS Project Support, Design and Procurement. The CTD unfavorable variance is due to additional subcontractors' effort to complete initial design (in prior years) and retroactive subcontractor rate adjustments resulting from a DCAA audit which are partially offset by cost efficiencies on the recent DBVS Technology Development work.

Impact: The CTD cost variance for completed work is not recoverable. Additional funding is required for FY 2008 testing to optimize mixer/dryer prill/pellet production.

Corrective Action: Sources of additional funding are being investigated.

5.09.03.01 - INTEGRATED DISPOSAL FACILITY

Scope Description: The baseline provides for planning, designing, and constructing the onsite expandable IDF for disposing of compliant ILAW stream packages produced at the WTP and through supplemental treatment, and the DOE, Richland Operations Office (RL) generated mixed low-level waste (MLLW) and LLW. The IDF will consist of the initial capacity near-surface, remote-handled waste trench facility to support WTP Operations ILAW Production and the RL MLLW and LLW disposal quantities. Infrastructure necessary to provide operations and maintenance support (e.g., utilities, roads, and fencing) will be provided by this WBS.

	BCWS	BCWP	ACWP	SV	CV	BAC
CM	0.0	0.0	0.0	0.0 0.0%	0.0 0.0%	
CTD	7,132.9	7,132.9	5,366.1	0.0 0.0%	1,766.8 24.8%	7,132.9

SCHEDULE VARIANCE

Description and Cause: The CM and CTD SV are within the threshold of ±10 percent or \$1M. Work on this Facility is completed.

Impact: None.

Corrective Action: None required.

COST VARIANCE

Description and Cause: The CM CV is within the threshold of ± 10 percent or \$1M. The CTD favorable CV is due to cost effective management of the IDF construction changes, utilization of internal engineering resources rather than subcontracted support, and less project management resource usage than planned.

Impact: None.

Corrective Action: None required.

5.09.03.04 - PROJECT W-464 (INITIAL IHLW STORAGE FACILITY)

Scope Description: The baseline provides for Project W-464, Interim Storage Facility, which is a Canister Storage Building Retrofit Subproject that addresses initial operations storage. This element provides onsite interim storage for Initial Operations IHLW canisters until they can be shipped to an offsite geological repository. The planning for receipt and interim storage of the IHLW canisters shall comply with the Waste Acceptance System Requirements Document and the Office of Civilian Radioactive Waste Management Waste Acceptance Preliminary Specifications. This WBS covers equipment for transportation of IHLW canisters from the WTP to the interim storage facilities. The work scope activities included under this WBS element are as follows: Provide Project Management (Capital) and project engineering required for execution of design, procurement and construction of the Interim Storage Facility.

	BCWS	BCWP	ACWP	SV	CV	BAC
CM	0.0	0.0	0.0	0.0 0.0%	0.0 0.0%	
CTD	109.4	109.4	35.1	0.0 0.0%	74.3 67.9%	109.4

SCHEDULE VARIANCE

Description and Cause: The CM and CTD SV are within the threshold of ± 10 percent or \$1M. No work is currently being performed on this Project.

Impact: None.

Corrective Action: None required.

COST VARIANCE

Description and Cause: The CM CV is within the threshold of ± 10 percent or \$1M. The CTD favorable CV is due to cost effective use of support resources on Project W-464.

Impact: None.

Corrective Action: None required.

5.10 - ANALYTICAL TECHNICAL SERVICES

Scope Description: The baseline scope includes ATS management and Hanford Services support in order to meet the capability/capacity requirements on the 222-S Laboratory complex for the Hanford mission. Also included are: 222-S Laboratory spares; 222-S Laboratory spare reserves; capital equipment not related to construction; technology development activities; performance of facility assessment and characterization activities; development of National Environmental Policy Act of 1969 and other regulatory documentation, deactivation plans, post-deactivation surveillance and maintenance plans; development of deactivation endpoints and turnover package; activities to flush, isolate, and blank process or sub-process systems; and removal of radioactive and hazardous materials and mixed wastes.

	BCWS	BCWP	ACWP	SV	CV	BAC
CM	2,158.6	2,142.8	2,091.9	(15.8) -0.7%	50.9 2.4%	
CTD	55,365.7	55,082.2	49,030.2	(283.5) -0.5%	6,052.0 11.0%	76,652.5

SCHEDULE VARIANCE

Description and Cause: The CM and CTD SV are within the threshold of ± 10 percent or \$1M.

Impact: None.

5.10 – ANALYTICAL TECHNICAL SERVICES - CONTINUED

Corrective Action: None.

COST VARIANCE

Description and Cause: The CM favorable CV is within the threshold of $\pm 10\%$ or \$1M.

The CTD favorable CV is due to 1) Efficiencies in ATS Management technical advisors (attrition and transfer to WFO); 2) Efficiencies in 222-S Services (less than planned steam assessment); 3) Efficiencies in 222-S Safe and Compliant Operations and General Support (less than planned dedicated and matrixed staff, planning rates greater than actual costs and revised waste volume projections for waste handling are less than originally planned); 4) Cost savings for 222-S Facility Reliability (Maintenance Annex HVAC and roof repair completed under budget); 5) Efficiencies in 222-S Analytical Support (re-direction of Analytical Process Development scientist and Engineering technical support to Technology Development and Tank Sampling analytical support for corrosion control activities); 6) Efficiencies in 222-S Technology Development (less than planned Analytical Methods Development activities in FY 2006 as resources were re-directed to support the Industrial Hygiene Program and vapor analysis); 7) Cost efficiencies in ATL Waste Handling (shipments of waste for processing have been less than planned due to actual analytical production); and 8) Efficiencies in ATL Waste Handling Disposition (shipments of waste for processing have been less than planned due to actual analytical production resulting in the billing of ATL waste handling costs to the end users being less than planned)

Favorable CTD CVs partially offset by minor unfavorable variance for 1) 222-S Capital Equipment Not Related to Construction (procurement of the gas chromatograph/mass spectrometer and increased costs associated with design for the installation of the ICP/MS) and 2) ATL Waste Handling Revenue (shipment of waste for processing have been less than planned due to actual

analytical production resulting in the billing of ATL waste handling costs to the end users being less than planned).

Impact: None.

Corrective Action: None required.

Milestone M-45,-50,-60 Single-Shell Tank Corrective Action

I. Near-Term Deliverables:

- **M-45-55-T04, Submit to Ecology for review and comment a draft of the A-AX, C, and U Field Investigation Report.**
Due: 04/30/06
Status: Deleted. TPA Change Request, M-45-06-03 approved by DOE and Ecology on December 4, 2007. Reports were issued in December and will also be included as appendices to the Phase 1 RCRA Field Investigation RFI report.

- **M-45-55, Submit to Ecology for review and approval as an Agreement primary document a Phase 1 RFI report integrating results of data gathering activities and evaluations for WMAs S-SX, T, TX-TY, A-AX, B-BX-BY, C, and U; and related activities, including groundwater monitoring and impacts assessment using Hanford Site groundwater models, with conclusions and recommendations.**
Due: 01/31/08
Status: Completed, ORP letter 08-TPD-003.

TPA Change Request, M-45-06-03 approved by DOE and Ecology on December 4, 2007.

- **M-45-56, Complete Implementation of Agreed to Interim Measures.**
Due: 07/31/08
Status: On Schedule.

- **M-45-58, Submit to Ecology for review and approval as an Agreement primary document a Phase 2 Master Work Plan that describes the proposed approach for the completion of Corrective Action to meet Final Closure Requirements in the Waste Management Areas as described in Appendix I, Section 2.3.**
Due: 12/31/08
Status: On Schedule. TPA Change Request, M-45-06-03 approved by DOE and Ecology on December 4, 2007.

- **M-45-60, Submit to Ecology for review and approval as an Agreement primary document DOE's Phase 2 RFI/CMS Work Plan and Sampling and Analysis Plan (SAP) for WMA. C.**
Due: 12/31/08

Status: On Schedule. TPA Change Request, M-45-06-03 approved by DOE and Ecology on December 4, 2007.

- **M-45-61, Submit to Ecology for review and approval as an Agreement primary document a Phase 2 RCRA Facility Investigation/Corrective Measures Study Report for WMA C.**

Due: 12/31/10

Status: On Schedule.

- **M-45-62, Submit to Ecology for review and approval as an Agreement primary document a Phase 2 Corrective Measures Implementation Work Plan for WMA C.**

Due: 7/31/12

Status: On Schedule

II. Significant Accomplishments:

- The T-Farm interim barrier is being constructed. The sloped base of the barrier is complete, the run-off channel configured, and the infiltration area prepared. Geotextile anchor trenches are being excavated. Approximately 12,000 square feet of barrier has been sprayed.
- Initiated direct push work at C WMA. Eight initial exploration holes have been driven and logged. Sample horizons have been identified. Five vertically separated samples have been collected from one location and forwarded for laboratory analyses.
- The TX and TY geophysics work is proceeding: analysis of well-to-well resistivity survey has been completed, and 17 of 47 surface to surface lines have been collected.
- TPA Change Request, M-45-06-03 approved by DOE and Ecology on December 4, 2007.

III. Significant Planned Actions in the Next Six Months:

- Complete construction of the interim surface barriers at T-106.
- Issue the FY07 annual vadose zone monitoring report for the T-Farm interim barrier.
- Complete SGE data collection at WMA TX-TY.
- Issue RCRA Facility Investigation Report (with the Field Investigation Reports for A, AX, C, and U WMAs as Appendices).
- Comment disposition workshops will continue on the initial SST-PA.

IV. Issues

Weather conditions are slowing the placement of the T-106 interim barrier.

Milestone M-45-00, Complete Closure of All Single-Shell Tank Farms

SST Retrieval and Closure Program

I. Deliverables

- **M-45-00, Complete Closure of all Single-Shell Tank Farms**
Due: 9/30/24
Status: To Be Missed (Based on current DOE Baseline planning)

- **M-45-00B, Complete Specified “Near-Term” SST Waste Retrieval and Interim Closure Activities, to Result in the Retrieval of all Tank Wastes in WMA-C SSTs Pursuant to the Agreement Criteria in Milestone M-45-00**
Due: 9/30/06 (Or as otherwise indicated within the descriptive text of this milestone.)
Status: Missed.
 - Completion of four limits of technology retrieval demonstrations:
 - Saltcake dissolution (S-112): Completed (M-45-03C)
 - Modified sluicing (C-106): Completed
 - Vacuum retrieval (C-200s): Completed; C-203 field retrieval operations completed on 3/24/05; C-202 retrieval completed on 8/11/05; C-201 retrieval completed on 3/23/06; C-204 retrieval completed on 12/11/06.
 - Mobile retrieval (C-101, C-105, or C-111): C-101 start of retrieval is currently projected for fiscal year 2011 (October 2010).

 - Implementation of full-scale LDMM technologies for the first three 100-series tank retrievals following Tank S-112:
 - Tank S-102: High Resolution Resistivity (HRR) system installed; supporting retrieval operations. System was electrically shut down with all power to the S-102 area in response to a waste spill on July 27, 2007. Power will be restored to S-102 as soon as safely possible.
 - Tank C-103: HRR system demonstration complete.
 - Tank C-108: HRR system installed; supporting retrieval operations.
 - Completed HRR injection tests at S-102.
 - Submitted HRR evaluation report and recommendation for further deployment.

 - Submittal of TWRWPs:
 - Tanks C-201, C-202, C-203, and C-204: Completed on 4/8/04
 - Two (2) 100-series tanks by 7/31/04: Completed on 7/29/04 (C-103 and C-109)
 - Four (4) 100-series tanks by 10/31/04: Completed on 10/8/04 (C-102, C-104, C-107, C-108, and C-112).

- Five (5) 100-series tanks by 1/31/05: Completed on 1/24/05 (C-101, C-105, C-110, and C-111).
- Submittal of Waste Management Area (WMA) integration plans by 6/30/05:
 - WMA C: Completed; submitted from ORP to Ecology on 6/22/05
 - WMA T: Completed; submitted from ORP to Ecology on 6/22/05.
- **M-45-00C, Initiate Negotiation of SST Waste Retrieval and Closure Activities and Associated Schedules (for the Period February 2007 through August 2008)**
Due: 9/30/06
Status: Missed
- **M-45-00D, Initiate Negotiation of the SST Waste Retrieval and Closure Activities (for the Period September 2008 to September 2013)**
Due: 1/31/08
Status: Missed
- **M-45-00E, Initiate Negotiation of SST Waste Retrieval and Closure Activities for the Remainder of the SST Program**
Due: 10/31/12
Status: To Be Missed (Based on current DOE Baseline planning)
- **M-45-05, Retrieve Waste from all Remaining Single-Shell Tanks**
Due: 9/30/18
Status: To Be Missed (Based on current DOE Baseline planning)
- **M-45-05-T05, Initiate Tank Retrieval from Five Additional Single-Shell Tanks**
Due: 9/30/07
Status: Missed.
- **M-45-05-T06, Initiate Tank Retrieval from Five Additional Single-Shell Tanks**
Due: 9/30/08
Status: To Be Missed (Based on current DOE Baseline planning)
- **M-45-05-T07, Initiate Tank Retrieval from Seven Additional Single-Shell Tanks**
Due: 9/30/09
Status: To Be Missed (Based on current DOE Baseline planning)

- **M-45-05-T08, Initiate Tank Retrieval from Eight Additional Single-Shell Tanks**
Due: 9/30/10
Status: To Be Missed (Based on current DOE Baseline planning)
- **M-45-05-T09, Initiate Tank Retrieval from Ten Additional Single-Shell Tanks**
Due: 9/30/11
Status: To Be Missed (Based on current DOE Baseline planning)
- **M-45-05-T10, Initiate Tank Retrieval from 12 Additional Single-Shell Tanks**
Due: 9/30/12
Status: To Be Missed (Based on current DOE Baseline planning)
- **M-45-05-T11, Initiate Tank Retrieval from 14 Additional Single-Shell Tanks**
Due: 9/30/13
Status: To Be Missed (Based on current DOE Baseline planning)
- **M-45-05-T12, Initiate Tank Retrieval from 17 Additional Single-Shell Tanks**
Due: 9/30/14
Status: To Be Missed (Based on current DOE Baseline planning)
- **M-45-05-T13, Initiate Tank Retrieval from 20 Additional Single-Shell Tanks**
Due: 9/30/15
Status: To Be Missed (Based on current DOE Baseline planning)
- **M-45-05-T14, Initiate Tank Retrieval from 20 Additional Single-Shell Tanks**
Due: 9/30/16
Status: To Be Missed (Based on current DOE Baseline planning)
- **M-45-05-T15, Initiate Tank Retrieval from 20 Additional Single-Shell Tanks**
Due: 9/30/17
Status: To Be Missed (Based on current DOE Baseline planning)
- **M-45-06, Complete Closure of all Single-Shell Tank Farms in Accordance with Approved Closure/Post Closure Plan(s)**
Due: 9/30/24
Status: To Be Missed (Based on current DOE Baseline planning)
- **M-45-06-T03, Initiate Closure Actions on a WMA Basis**
Due: 3/31/12
Status: To Be Missed (Based on current DOE Baseline planning)

- **M-45-06-T04, Complete Closure Actions on one WMA**
Due: 3/31/14
Status: To Be Missed (Based on current DOE Baseline planning)

II. Significant Accomplishments

- Continued design and construction work for the C-104 retrieval system.
- Continued testing of FoldTrak vehicle at Cold Test Facility.

III. Significant Planned Activities in the Next Six Months

- Reach resolution on missed M-45-00B and M45-00C milestones.
- Complete testing of FoldTrack at Cold Test Facility.
- Perform readiness assessment to resume C-Farm retrievals.
- Deploy FoldTrak in C-109 and resume retrieval (04/16/08).
- Deploy FoldTrak in C-108 and resume retrieval (06/15/08).
- Continue construction for C-104 retrieval system.
- Complete comment resolution on the Mobile Retrieval System (MRS) TWRWP and obtain Ecology approval.
- Complete comment resolution on the C-110 TWRWP and obtain Ecology approval.
- Revise leak detection monitoring sections of approved TWRWPs and obtain Ecology approval.

IV. Issues

- The C-110 and MRS TWRWPs have not been approved by Ecology. ORP submitted document updates for both TWRWPs on January 15, 2008.
- Milestones M-45-00B (retrieve all C-Farm tanks) and M-45-00C (initiate negotiations on SST retrievals for 2007-2008), and M-45-00D (initiate negotiations on SST retrievals for 2008-2013) were missed. DOE, Ecology, and EPA began TPA negotiations in May 2007, to address these and other milestones.

C-FARM RETRIEVAL SUMMARY SCHEDULE FORECASTS ^a

Tank	Final Design Drawings complete	Construction Complete	Process Control Plan Complete	Start Retrieval	Complete Retrieval	TSAP Complete	Retrieval Data Report or Appendix H to Ecology/EPA
C-101	7/2/09	8/5/10	9/1/10	10/1/10	1/6/12	12/6/11	9/27/12
C-102	1/14/11	10/13/11	12/9/12	1/9/12	11/20/12	10/20/12	11/18/13
C-103	Complete	Complete	Complete	Complete	Complete	Complete	Complete
C-104	3/7/08	6/6/08	3/6/08	7/18/08	3/3/09	9/28/08	1/18/10
C-105	5/2/12	6/5/13	7/30/13	8/30/13	3/6/14	2/6/14	12/4/14
C-106	Complete	Complete	Complete	Complete	Complete	Complete	Complete
C-107	3/21/14	12/19/14	2/26/15	3/26/15	12/18/15	11/18/15	4/26/17
C-108	Complete	Complete	Complete	Complete	8/29/08	8/1/08	7/28/09
C-109	Complete	Complete	Complete	Complete	6/11/08	4/4/08	4/30/09
C-110 ^b	3/19/08	8/30/08	3/30/08	9/15/08	6/19/09	11/3/08	3/31/10
C-111	8/18/14	9/21/15	11/21/15	12/21/15	4/28/16	3/28/16	1/31/17
C-112	10/18/13	7/23/14	9/9/14	10/9/14	3/25/15	2/25/15	3/1/17
C-201	Complete	Complete	Complete	Complete	Complete	Complete	Complete
C-202	Complete	Complete	Complete	Complete	Complete	Complete	Complete
C-203	Complete	Complete	Complete	Complete	Complete	Complete	Complete
C-204	Complete	Complete	Complete	Complete	Complete	Complete	Complete

a. Completion dates are based on the stated performance baseline as of 12/31/07 and are subject to change as efforts continue to identify and implement schedule efficiencies.

b. Projected dates for C-110 are based on utilizing Modified Sluicing technology and availability of acceleration funding.

SST RETRIEVAL SEQUENCE DOCUMENT

I. Deliverables

- **M-45-02M, Submit Biennial Updates to SST Retrieval Sequence Document (Agreement Appendix I, Section 2.1.2), Double-Shell Tank Space Evaluation Document and Ecology Concurrence of Additional Tank Acquisition Within 60-days**

Due: 3/1/06 (Parties to meet annually to agree on SSTs to be retrieved during the coming year from the tank pool.)

Status: Complete.

M-45-02N, Submit Biennial Update of SST Retrieval Sequence Document (Agreement Appendix I, Section 2.1.2), and Double-Shell Tank Space Evaluation Document and Ecology Concurrence of Additional Tank Acquisition Within 60-days (See Text of M-45-02M for further details)

Due: 3/1/08

Status: At risk. Agreement on modeling assumptions was reached on November 30, 2007. ORP and CH2M HILL met with Ecology on January 24, 2008 to review preliminary results of the modeling and plan to meet again with Ecology in mid-February to review the draft document. Delivery of the final document to Ecology by the due date is at risk.

- **M-45-02O, Submit Biennial Update of SST Retrieval Sequence Document (Agreement Appendix I, Section 2.1.2), and Double-Shell Tank Space Evaluation Document and Ecology Concurrence of Additional Tank Acquisition Within 60-days (See Text of M-45-02M for further details)**

Due: 3/1/10

Status: On schedule

- **M-45-02P, Submit Biennial Update of SST Retrieval Sequence Document (Agreement Appendix I, Section 2.1.2), and Double-Shell Tank Space Evaluation Document and Ecology Concurrence of Additional Tank Acquisition Within 60-days (See Text of M-45-02M for further details)**

Due: 3/1/12 (Biennially thereafter)

Status: On schedule

II. Significant Accomplishments

- Agreed to modeling assumptions for M-45-02N submittal.

III. Significant Planned Activities in the Next Six Months

- Submit M-45-02N deliverable.

IV. Issues

- See discussion above for M-45-02N.

TANK RETRIEVALS WITH INDIVIDUAL MILESTONES**Tank 241-C-106****I. Deliverables**

- **M-45-05H, Interim Completion of Tank C-106 SST Waste Retrieval and Closure Demonstration Project**
Due: 6/30/04
Status: Completed
- **M-45-05L-T01, Complete Full-Scale C-106 Waste Retrieval**
Due: 11/1/03
Status: Completed
- **M-45-05M-T01, Submit C-106 Waste Retrieval Results, Analysis of Residual Waste(s), and (if appropriate) Request for Exception to the Criteria Pursuant to Agreement Appendix H**
Due: 2/27/04
Status: Completed

II. Significant Accomplishments

None.

III. Significant Planned Activities in the Next Six Months

- Submit C-106 Appendix H document revisions to NRC to complete their review of the C-106 exception request (concurrent courtesy transmittal to Ecology and EPA).
- Continue SST PA comment resolution with Ecology and EPA.

IV. Issues

- C-106 Closure Plan approval and SST radiological Categorical Notice of Construction Phase 3 (closure) and a toxics categorical NOC application are pending completion of the Tank Closure and Waste Management Environmental Impact Statement and associated Record of Decision (ROD); forecast completion for the final EIS is June 2009.

Tank 241-S-102**I. Deliverables**

- **M-45-05C, Complete S-102 Initial Waste Retrieval Project Construction (to Include all Physical Systems Including Those Necessary for Leak Detection, Monitoring, and Mitigation)**

Due: 3/31/04
Status: Completed

- **M-45-06C, Submit a Certified S-102 Component Closure Activity Plan, as an Application for a Modification to the Hanford Site-Wide Hazardous Waste Facility Permit to Ecology**
Due: 9/30/04
Status: Completed
- **M-45-05A, Complete Waste Retrieval from Tank S-102**
Due: 3/31/07
Status: Missed. As a result of equipment failure on March 14, 2007, retrieval operations were suspended at Tank S-102 with retrieval approximately 91% complete and approximately 423,000 gallons total waste removed. Retrieval restarted on July 25, 2007 and was suspended after a waste spill on July 27, 2007. Spill recovery actions are in progress.
- **M-45-15, Interim Completion of Tank S-102 SST Waste Retrieval and Closure Demonstration Project**
Due: 6/30/11
Status: On Schedule. Change Request M-45-07-01 approved by DOE and Ecology on December 4, 2007.
- **M-45-15A, Imbedded Milestone, Submit a Retrieval Data Report Pursuant to Agreement Appendix I**
Due: 6/30/11
Status: On schedule
- **M-45-15B, Imbedded Milestone, Remaining Wastes have been adequately Characterized, and a Risk Assessment has been completed for residuals that remain in the tank.**
Due: 6/30/11
Status: On schedule
- **M-45-15C, Imbedded Milestone, An update to the S-102 Component Closure Activity Plan has been submitted by DOE.**
Due: 6/30/11
Status: On schedule
- **M-45-15D, If appropriate, DOE has requested an exception to waste retrieval criteria pursuant to Agreement Appendix H**
Due: 6/30/11
Status: NA at this time.

II. Significant Accomplishments

- Completed removal of above grade equipment in preparation for removal of contaminated soil.

- Continued planning for removal of contaminated soil.
- Conducted Proof of Principle test on Sand Mantis. Draft test report under review.

III. Significant Planned Activities in the Next Six Months

- Recover from the waste leak of July 27, 2007 (including removal and disposal of contaminated equipment and soil).
- Resume retrieval.

IV. Issues

- Retrieval of Tank 241-S-102 was not completed by TPA milestone date of March 31, 2007, due to pump failure.
- On July 27, 2007 a leak of up to 114 gallons of tank waste occurred from the S-102 pumping system. Operations were suspended and recovery actions started immediately.

Tank 241-S-112

I. Deliverables

- **M-45-06B, Submit a Certified S-112 Component Closure Activity Plan, as an Application for a Modification to the Hanford Site-Wide Hazardous Waste Facility Permit to Ecology**
Due: 9/30/04
Status: Completed.
- **M-45-03C, Complete Full-Scale Saltcake Waste Retrieval Technology Demonstration at Single-Shell Tank S-112**
Due: 6/30/05
Status: Completed.
- **M-45-13, Interim Completion of Tank S-112 SST Waste Retrieval and Closure Demonstration Project**
Due: 6/30/11
Status: On Schedule. Change Request M-45-07-01 approved by DOE and Ecology on December 4, 2007.
- **M-45-13A, Imbedded Milestone, Submit a Retrieval Data Report Pursuant to Agreement Appendix I**
Due: 12/31/07
Status: Completed (ORP letter, 07-TPD-066, dated 12/21/07). Added by Change Request M-45-07-01 approved by DOE and Ecology on December 4, 2007
- **M-45-13B, Imbedded Milestone, Remaining Wastes have been adequately Characterized, and a Risk Assessment has been completed for residuals that remain in the tank.**
Due: 12/31/07

Status: Completed (ORP letter, 07-TPD-066, dated 12/21/07). Added by Change Request M-45-07-01 approved by DOE and Ecology on December 4, 2007

- **M-45-13C, Imbedded Milestone, An update to the S-112 Component Closure Activity Plan has been submitted by DOE.**
Due: 6/30/11
Status: On schedule
- **If appropriate, DOE has requested an exception to waste retrieval criteria pursuant to Agreement Appendix H**
Due: 6/30/11
Status: NA

II. Significant Accomplishments

- None

III. Significant Planned Activities in the Next Six Months

- Prepare and submit the S-112 RDR.

IV. Issues

Interim Stabilization Consent Decree

I. Near-Term Deliverables:

D-001-00, Complete Interim Stabilization of all 29 SSTs

Due: 09/30/04

Status: Completed on 03/18/04 with discontinuation of pumping in U-108 and subsequent consultation with Ecology staff. Interim stabilization of S-102 and S-112 held in abeyance by third amendment to the Consent Decree; these two tanks are undergoing retrieval. ORP's obligation to interim stabilize S-102 and S-112 will be satisfied upon completion of retrieval operations. Retrieval of S-102 will be impacted by the recent spill at this tank.

II. Significant Accomplishments:

Retrieval of Tank S-112 complete.

III. Significant Planned Actions in the Next 6 Months:

Conduct recovery actions from the spill at S-102.

IV. Issues

Tank S-102 retrieval not completed by milestone M-45-05A date of March 31, 2007. The spill at S-102 will delay completion of this milestone.

In Tank Characterization and Summary

For the period from January 1 – January 31, 2008

I. Accomplishments:

- Completed RPP-PLAN-34334, Rev. 1, Sampling and analysis Plan for Catch Tank 241-A-350, on January 29, 2008.
- Completed the review of the analytical data from 241-S-102 Dilution Hose, on January 29, 2008.

II. Planned Action within the next Six Months:

Tank Sampling

- Tank 241-AP-108 core corrosion samples scheduled for February 2008.
- Tank 241-A-350 headspace vapor sample scheduled for February 2008.
- Tank 241-AP-103 core samples scheduled for April 2008.
- Tank 241-AY-101 core samples scheduled for March 2008.
- Tank 241-S-102 headspace vapor sample scheduled for March 2008.
- Tank 241-S-102 liquid sample scheduled for April 2008.
- Tank 241-S-102 liquid sample scheduled for April 2008.

BBI Updates

- Six updates are planned for the second quarter of FY 2008. Of the six updates, five have been completed.
- The radioactive decay date will be updated from 1/1/2004 to 1/1/2008 for all 177 tanks.

DQOs

- Complete Evaporator DQO, Rev. 5 in August 2008.
- Complete SST Component Closure DQO, Rev 4 in March 2008.
- Complete DBVS DQO, Rev. 1 in October 2008.

III. Issues:

- None.

Milestone M-47-00, Complete Work Necessary to Support Acquisition and Phase I Operations of Hanford Site High-Level Radioactive Waste Treatment, Storage, and Disposal Facilities

I. Near-Term Deliverables:

- **M-47-02, Complete startup and turnover activities for required transfer system upgrades to allow transfer of first high-level waste feed to the Pretreatment/Treatment Complex.**
Due: 03/31/09
Status: Complete. Ecology letter dated 10/18/07 acknowledges completion of milestone.
- **M-47-04, Complete startup and turnover activities for required transfer system upgrades to allow transfer of first low-activity waste feed to the pretreatment/treatment complex. Installation of the pump will not be required until necessary to support WTP waste feed activities.**
Due: 03/31/09
Status: Complete. Ecology letter dated 10/18/07 acknowledges completion of milestone.
- **M-47-03A, Complete startup and turnover activities for waste retrieval and mobilization systems for selected initial high-level waste feed tank.**
Due: 03/31/09
Status: Pending path forward with Ecology for renegotiation of new milestone commitments.
- **M-47-06, Complete negotiation of additional agreement requirements (milestones, target dates, and associated language) governing work necessary to support completion of treatment complex Phase I operations by 2018.**
Due: 06/30/10
Status: Negotiations are not yet underway.

II. Significant Accomplishments:

- Completed actions as outlined in close-out letter by Ecology

III. Significant Planned Actions in the Next Six Months:

- None.

IV. Near-term Actions Needed by DOE or Ecology:

- None

V. Issues:

- Nothing to report.

242-A Evaporator Status (previously reported under Milestone M-62, which has been closed out).

EVAPORATOR CAMPAIGNS

Fiscal Year	Campaign No.	Feed Source	Slurry Tank	Comments
FY07	07-01 (07-02)	AN-106/AY-102 (AW-102)	AP-103	Campaign completed 7/22/07.
FY07	07-02 (08-01)	AP-104	AP-103/ AP-104	Campaign completed 11/15/07.
FY08	08-CR	None	None	Planning is underway to conduct a Cold Run to complete 242-A monitoring and control system (MCS) upgrades and equipment testing, and personnel training in FY08.
FY08	08-01 (09-01)	AP-101/AP-105	AP-104	Planning is underway to accelerate the FY09 baseline campaign into FY08. The accelerated campaign is to be performed back-to-back with Campaigns 08-CR and 08-02 (09-01).
FY08	08-02 (10-01)	AP-101/AP-105	AP-104/AP-101	Planning is underway to accelerate an FY10 baseline campaign into FY08. The accelerated campaign is to be performed back-to-back with Campaign 08-01 (09-01).
FY09	TBD	TBD	TBD	Detailed planning for FY09 and outyear campaigns subject to retrieval activities and contract requirements.

Milestone M-48-00, DST Integrity Assessment Program

I. Deliverables:

- **M-48-15, Submit a Report to Ecology for the Re-examination of Six DSTs by Ultrasonic Testing**
Due: 9/30/07
Status: Complete. Ecology letter dated 10/18/07 acknowledges completion of milestone.
- **M-48-00, Complete Tank Integrity Assessment Activities for Hanford Double Shell Tanks System**
Due: 9/30/07
Status: Complete. Ecology letter dated 10/18/07 acknowledges completion of milestone.

Milestone M-90-00, Complete Acquisition of New Facilities, Modifications of Existing facilities, and/or Modifications of Planned Facilities, as Necessary for Storage of Hanford Site Immobilized High Level Waste (IHLW), Immobilized Low Activity Waste (ILAW), and Disposal of ILAW, and M-20-00, Submit Part B Permit Applications.

I. Near-Term Deliverables:

- **M-20-56, Submit Canister Storage Facility Part B Permit Application**
Due: 6/30/03
Status: **Complete.**
- **M-20-57, Submit ILAW Disposal Facility Certified Part B Permit Application to Ecology**
Due: 6/30/03
Status: **Complete.**
- **M-90-09-T01, Complete Detailed Design of ILAW Disposal Facility Critical Systems to 80%**
Due: 5/30/03
Status: **Complete.**
- **M-90-08, Initiate ILAW Disposal Facility Construction**
Due: 2/28/05
Status: **Complete.**
- **M-90-10, Ready To Accept Placement of ILAW Waste in ILAW Disposal Facility.**
Due: 8/31/08
Status: **Complete**
- **M-90-11, Complete Canister Storage Facility Construction**
Due: 8/31/10
Status: To be renegotiated to align with WTP schedule.

II. Significant Accomplishments:

- "Pre-active life" surveillance and monitoring has been implemented in accordance with the IDF Permit modification. Results to date indicate the IDF is performing in accordance with the approved design.

III. Significant Planned Actions in the Next Six Months:

- Complete a survey in Fall 2008 to determine survival rate of sagebrush planted to date and determine delta to meet 60% survival required by the Mitigation Action Plan – Fall 2008.
- By agreement between ORP and Ecology, withdrawal of the Canister Storage Facility Part B Permit Application is under consideration, due to the fact that WTP operating schedule has been pushed out and the facility will not be needed as early as previously anticipated.

IV. Issues

- None.

M-62-08, Submittal of Hanford Tank Waste Supplement Treatment Technologies Report, Draft Hanford Tank Waste Treatment Baseline and Draft Negotiations Agreement in Principle.

Due: 06/30/2006

Status: Missed – Insufficient information to compare technologies due to delays in constructing the Demonstration Bulk Vitrification System (DBVS) and lack of WTP cost and schedule information.

- **M-62-09, Start Cold Commissioning – Waste Treatment Plant.**

Due: 02/28/2009

Status: To Be Missed (Based on current DOE Baseline planning)

- **M-62-10, Complete Hot Commissioning – Waste Treatment Plant.**

Due: 01/31/2011

Status: To Be Missed (Based on current DOE Baseline planning)

- **M-62-11, Submit a Final Hanford Tank Waste Treatment Baseline.**

Due: 06/30/2007

Status: Missed

II. Significant Accomplishments:

- Final design and the PDSA revision required for CD-3 continue.

III. Significant Planned Actions in the Next Six Months:

- Receive Critical Decision 2.
- Complete DBVS final design.

IV. Issues:

- ORP formally informed Ecology that the Milestone M-62-08 due date was not achievable. The Milestone requires submittal of a Supplemental Treatment Technologies Report that provides a recommendation describing the technical and financial alternatives for selection of a technology, or a second WTP ILAW plant, which in combination with the WTP could be implemented to treat all of the Hanford tank waste. In a letter dated December 26, 2006, Ecology requested ORP provide the current state of information on the supplemental low-activity waste treatment options. ORP and CH2M HILL met with Ecology on January 11, 2007, to agree on information to be provided to satisfy the Ecology request. All information requested for the DBVS Project has been submitted. Information requested on Steam Reforming is still being worked.
- Resolution of the MIS issue was demonstrated during the integrated dryer/38D full-scale melt test. Issue closed.

Hanford Waste Treatment and Immobilization Plant (WTP) Project

Pretreatment (PT) Facility – January 2008

The PT Facility will separate radioactive tank waste into high-level waste (HLW) and low-activity waste (LAW) fractions and transfer each waste type to the respective vitrification facility for immobilization. Facility construction began November 2002 with a scheduled construction completion date of October 2014. Currently, design is 69% complete and construction is 24% complete.

As part of its readiness review to resume construction on December 11, 2007, BNI identified several post-start items including the completion of design and release for construction of the fourth lift wall. BNI is currently on track to complete this work as scheduled by the end of February 2008.

Construction forces placed concrete in the first wall since resuming construction. The wall was partially placed prior to suspension of work in 2005 and placement was required to complete the wall in the facility's southeast corner. At the current pace, construction forces will complete erection of the main structural steel members below the 28' elevation ahead of schedule. Crews are also sandblasting and cleaning up concrete walls 3-58, 3-59, and 3-69 in preparation for placing concrete.

Mechanical Systems completed the redline markup of the piping and instrumentation diagrams (P&ID) for the Treated LAW Evaporation Process System and the Radioactive Liquid Waste Disposal System. The completion of these redline drawings allows Plant Design to begin modeling and preparing the piping isometric drawings while Mechanical Systems finalizes the P&IDs. Mechanical Systems has completed approximately 80% of the redline drawings required for the PT Facility. These drawings were completed several weeks ahead of the baseline schedule dates for these activities.

BNI will review the quality (Q) level piping in the black cells and inaccessible piping to determine if nondestructive examination (NDE) requirements were met on pipe spools that have been produced. The database and documents needed to support the review are continuing to be assembled in Richland. Work on technical issues that require resolution before resuming fabrication is to be completed by the first week of February; production of piping is still targeted for the end of February.

No External Flowsheet Review Team (EFRT) closures or Issue Response Plans (IRP) were approved in January. The revised IRP for issue M-2, "Mixing Vessel Erosion," is being routed for approval. Small (1/27)-scale testing to qualify the simulant to be used in the larger (1/4-scale) test rig is complete. The 1/4-scale tests are to begin February 5, 2008, and will be completed approximately February 22, 2008.

The EFRT also identified the need to perform a 1:4.5 scale test of the WTP ultrafiltration system to address issues associated with the system's caustic and oxidative leaching processes and system capacity. The Pretreatment Engineering Platform (PEP), which will be assembled on 16 skids, is the

equipment used to perform this test. The PEP's process chemical skid was received at Battelle's Process Demonstration Laboratory (PDL) - West on January 23, 2008. The final skid is expected to arrive in early April 2008. PEP assembly is scheduled to be complete in June 2008 with Phase 1 testing initiated in November 2008.

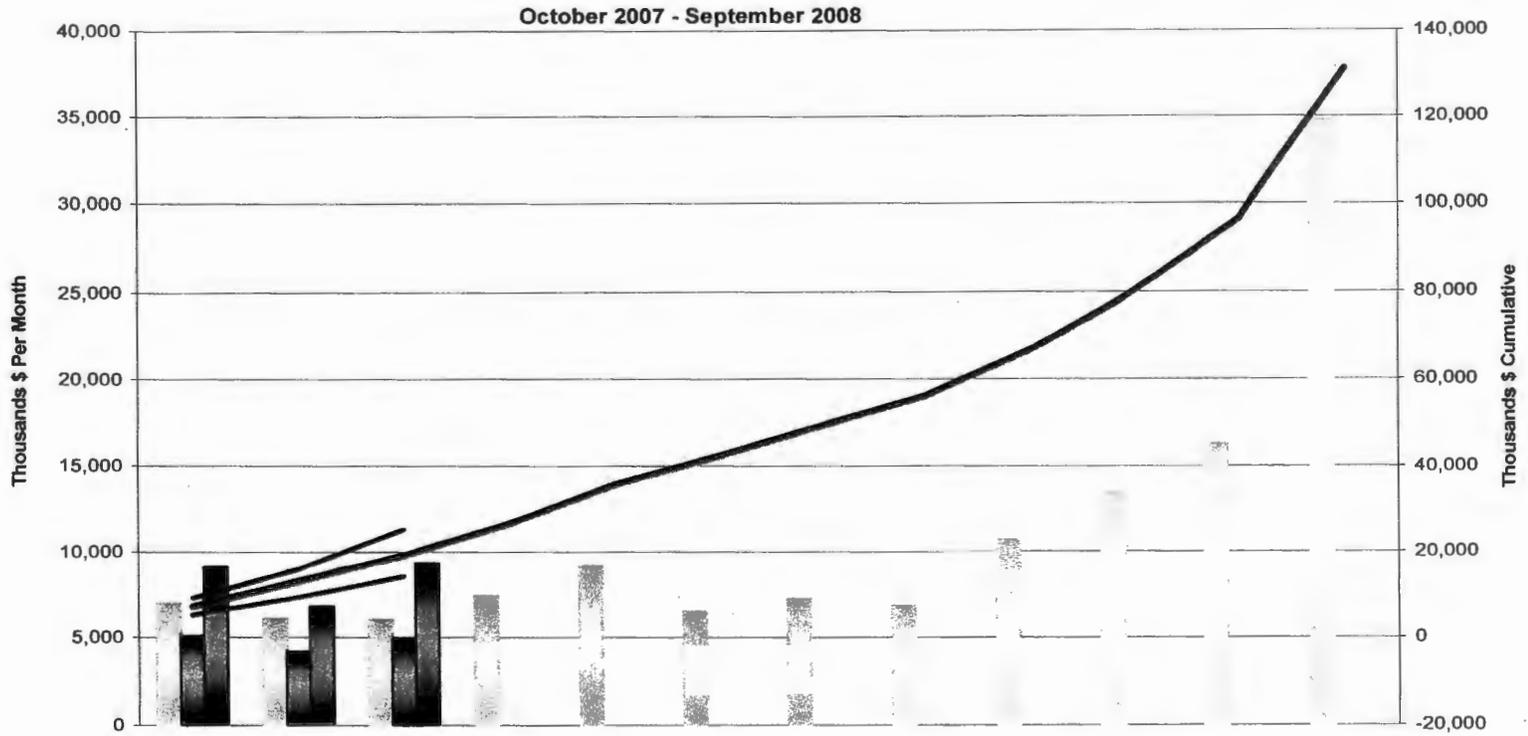
A test loop has been assembled in the PDL – East for testing line plugging as part of the EFRT issue M-1, "Plugging in Process Piping." The test loop will use simulants to determine the velocity at which solids will settle out. The facility can be configured for straight level lines and also for a tortuous path that is more representative of the piping in WTP. Testing is currently being performed in the level loop using a clay simulant with 10 µm stainless steel balls to increase density and hardness. Testing in the tortuous loop will begin following the completion of the current test series.

Phase 2 ultrafilter testing was completed in early December 2007. The purpose of the testing was to predict ultrafilter draining behavior with gravity, water flushes, and air purges. Phase 3 testing has also been completed and in both phases it was found that the ultrafilters could be recovered using a power flush but could not be recovered by merely draining the filter tubes. It was also found that the ultrafilters tubes had failed at the welds. This information suggests that care needs to be taken to ensure that all filter tubes are intact before the permanent filters are installed in the hot cell.

	Milestone	Scheduled	Projected
Pre-Treatment Facility	Approve PJM Multiple Overblow Final Report	6/07	4/08
	EFRT Recommendation M2, Perform Submerged Jet Test	6/07	8/08
	Deliver the Filter Cave Shield Door to Richland	12/07	12/07 A
	Issue Structural Summary Report	2/08	12/07A
	Issue Committed Design for Cesium Resin Addition Process System	3/08	3/08
	Issue Committed Design for Waste Feed Evaporation Process System	3/08	3/08
	Issue Committed Design for Anti-Foam, Sodium Permanganate and Strontium Nitrate Reagent Systems	4/08	4/08

PT Fiscal Year 2007 to Date Performance

October 2007 – September 2008
(\$ in thousands)



	Oct-07	Nov-07	Dec-07	Jan-08	Feb-08	Mar-08	Apr-08	May-08	Jun-08	Jul-08	Aug-08	Sep-08
Mthly Plan (BCWS)	6,935	6,054	6,010	7,391	9,144	6,465	7,201	6,799	10,696	13,386	16,304	34,757
Mthly Perf (BCWP)	5,028	4,153	4,908									
Mthly Actuals (ACWP)	9,100	6,756	9,297									
FYTD Plan (BCWS)	6,935	12,990	19,000	26,391	35,534	42,000	49,201	56,000	66,696	81,082	96,386	131,143
FYTD Perf (BCWP)	5,028	9,182	14,090									
FYTD Actuals (ACWP)	9,100	15,856	25,153									

High-Level Waste Facility – January 2008

During the first quarter of fiscal year (FY) 2008, numerous calculations and drawings were completed to support the resumption of construction activities after seismic restrictions were lifted in August 2007. More than 600 cubic yards of concrete was placed in the last quarter, and crews continue to install rebar, embedment, commodity, formwork, and construction power and lighting throughout the facility. Other activities included layout for silver mordenite crane rails and transfer tunnel prepping for special protective coating (SPC) at the -21 elevation.

Numerous engineering documents have been issued including seismic report revisions, revised drawings, specifications, and datasheets. The lighting electrical system panel template update and design verification reports for the low-voltage emergency power distribution equipment and uninterruptible power supply distribution system have also been issued. Reviews were completed for the interconnection diagrams for the Canister Decontamination Handling System, vendor prints for the Canister Export Handling System crane; drawing change notices and vendor submittals for the HLW Melter Cave Support Handling System.

Efforts continued on revised ground motion (RGM) modifications for the pour tunnel 1 and 2 bogie rails to support the glass throughput capacity increase. Instrument datasheets were issued to purchase radar-level transmitters, although the intended application for liquid-level measurement has some technical challenges that will need to be resolved. Two HLW Canister Export Handling System jib cranes were successfully tested enabling the painting process to begin.

The Summary Structural Reports (SSR) for the HLW and PT Facilities incorporating RGM criteria have been issued and forwarded to the Defense Nuclear Facilities Safety Board, completing one of the key deliverables towards closing issues with the facility structural design.

Environmental Qualification (EQ) calculations for accident temperatures and other parameters have been completed and the database has been populated. Relevant EQ data will be forwarded to the equipment vendors in the following months.

DOE completed an extensive review of a major revision to the Waste Form Compliance Plan (Contract Deliverable 6.2), and provided comments for incorporation. This revision brings the plan into compliance with the expectations of the Office of Environmental Management (EM-12) by incorporating the requirements established in the Memorandum of Agreement signed in February 2007 between EM and the Office of Civilian Radioactive Waste Management. This document sets forth the strategies for compliance with statutory, regulatory, and DOE requirements.

The waste screening form for the HLW canister processing operations has been revised. DOE received draft revisions for the production canister drawings and anticipates transmitting issued drawings for inclusion in the integrated Interface Control Document.

The last four load centers (HLW and PT) have been released for shipment. Reviews have been completed on the vendor seismic report/analysis for the discharge and startup heater power supply, vendor drawings for the filter cave crane, vendor submittals for the 58' elevation C1V air handling units, and vendor drawings for the -21 elevation fan coil unit serving the HLW melter offgas.

A number of issues are currently being evaluated for closure: high combustible loadings in hot cells due to crane cable insulation and crane paint beyond the Authorization Basis limit; high-pressure differential in some of the change rooms beyond the limit for door openings; and higher temperature at the canister bogie due to conservative computational fluid dynamics (CFD) analysis.

Melter fabrication delivery is anticipated ahead of schedule (July 2008) and RGM evaluations of vessels are ongoing. A number of issues have been identified with commercial grade dedication (CGD) and flow-down of quality requirements of the high-efficiency mist eliminator (HEME) to the subsupplier by the vendor GE Hitachi, which will significantly delay the planned delivery date of December 2007. Significant efforts are being exerted to improve the CGD process at both BNI and the vendor shops to ensure that NQA-1 requirements are met. QL systems, thermal catalytic oxidizer (TCO) and pre-heaters were awarded to a commercial vendor EPCON. The QL vendor, WEST METALS, had been working to establish an NQA-1 program at the EPCON facility to enable EPCON to perform "Q" fabrication. Due to the number of issues being brought up at the final audit report for the certification of the facility, certification would be further delayed from the current plan of November 2007.

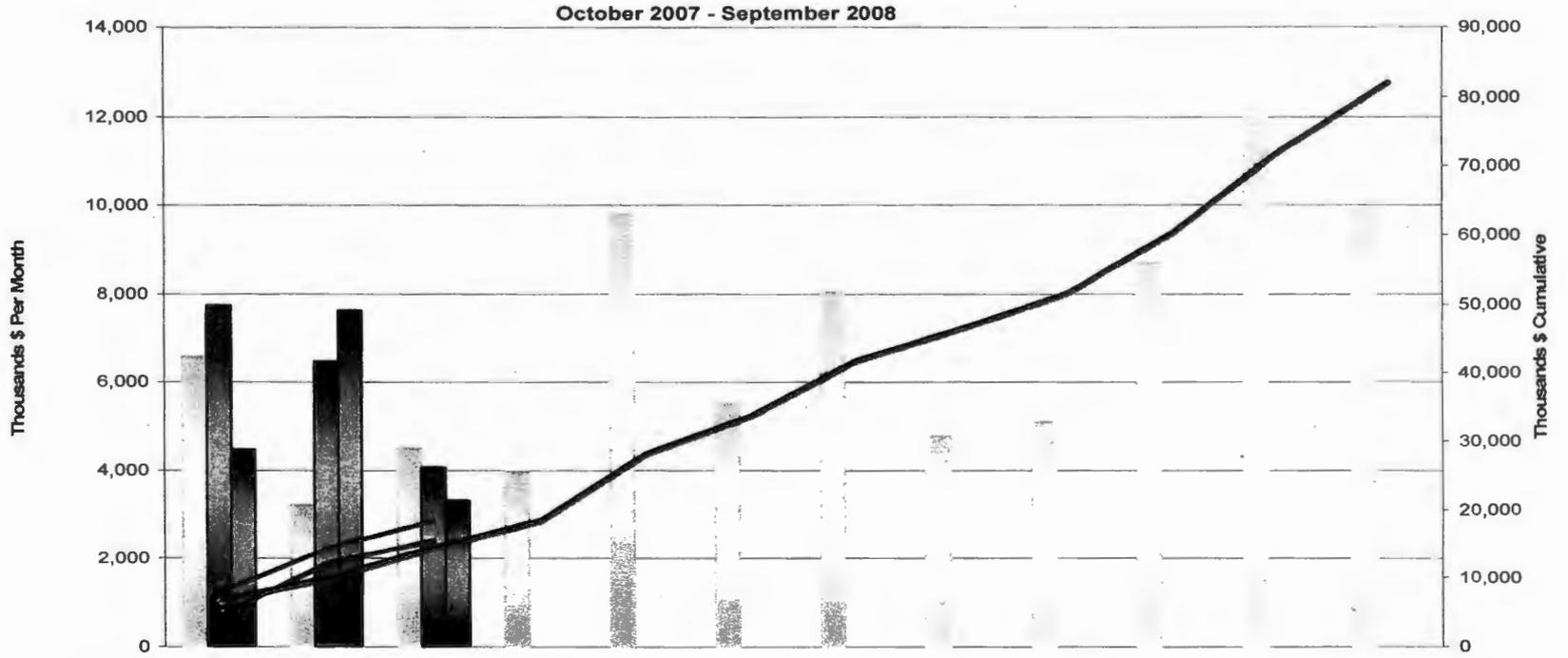
Oregon Iron Works (OIW) began sandblasting and inspecting the first two HLW Melter Handling System shield doors. This follows an evaluation of the shield doors that revealed some of the partially fabricated doors—performed by a previous vendor—may have to be replaced due to lack of sufficient weld inspection documentation and traceability. BNI and OIW have developed a path forward to be able to procure the fabricated doors after some modifications and testing to support the critical parameters that would make the doors meet their safety functions. The melter vendor has procured the stainless steel and Inconel material for the spare melter 3, and poured the refractory into block form, which readies it to be saw-cut to size and assembled.

A draft scope of work for the canister 23-ft drop model simulations based upon finite element impact analyses was completed as were three of four technical evaluations in support of the award of the electrical joggle purchase order. BNI also issued the technical evaluation to allow the vendor to commence shard sample flask design and fabrication of the solid waste container.

ORP approved the BNI Quality Assurance (QA) Manual and will now coordinate the simultaneous revision of EnergySolutions QA program to bring them into compliance with the Office of Civilian Radioactive Waste Management (OCRWM) Quality Assurance Requirements Document (QARD), Rev. 18.

The test report for the Film Cooler Cleaner testing at EnergySolutions is under review for acceptance. This test for the verification of the film cooler cleaner design was part of the work plan to resolve EFRT issue M-17, "HLW Film Cooler Plugging." Another test plan was approved describing work to support the development and testing of new glass formulations in order to maximize glass-melting rates for high-level waste with limiting concentrations of aluminum as specified by ORP. Testing will be designed to identify glass formulations that optimize waste loading and waste processing rates while meeting all processing and product quality requirements. This work is being executed at the Vitreous State Laboratory at Catholic University.

HLW Fiscal Year 2007 to Date Performance October 2007 – September 2008 (\$ in thousands)



	Oct-07	Nov-07	Dec-07	Jan-08	Feb-08	Mar-08	Apr-08	May-08	Jun-08	Jul-08	Aug-08	Sep-08
Mthly Plan (BCWS)	6,569	3,208	4,498	3,970	9,785	5,508	8,030	4,777	5,107	8,686	12,000	9,924
Mthly Perf (BCWP)	7,740	6,457	4,060									
Mthly Actuals (ACWP)	4,466	7,623	3,309									
FYTD Plan (BCWS)	6,569	9,777	14,275	18,245	28,030	33,538	41,568	46,346	51,453	60,138	72,138	82,063
FYTD Perf (BCWP)	7,740	14,197	18,257									
FYTD Actuals (ACWP)	4,466	12,089	15,399									

Low-Activity Waste Facility – January 2008

General construction activities continue as crews install piping and hangers, paint structural steel and decking, and make fireproofing repairs at the -21', 3', 28', and 48' elevations. Conduit and permanent lighting is being installed on the 3' and 28' elevations; crane rail clips, workshop cranes, cable trays, ventilation ducting, and insulation on the 48' elevation; and lightning protection components at the 68' elevation. Hangers are being installed to support the pour cave stainless steel liner and insulation. Crews continue to shim wet process cell vessels to their foundation to provide support to foundation embeds. Installation of piping, cable tray, conduit and heating, ventilation, and air conditioning continues throughout the facility. Siding and roofing is proceeding on the LAW annex.

The partition wall contractor has started laying out partition walls allowing the near-term installation of gypsum wallboard within the facility at the -21' elevation. Most recently, the metal studs for constructing these walls were being staged for construction. The existing concrete walls are structural members that act as room dividers. Wall partition installation will allow the facility's individual areas to be better defined.

Shield plate installation on the north side of melter cell #2 continues. The shield plates eliminate the radioactive shine from the containers on personnel in the aisle way north of the melter cell.

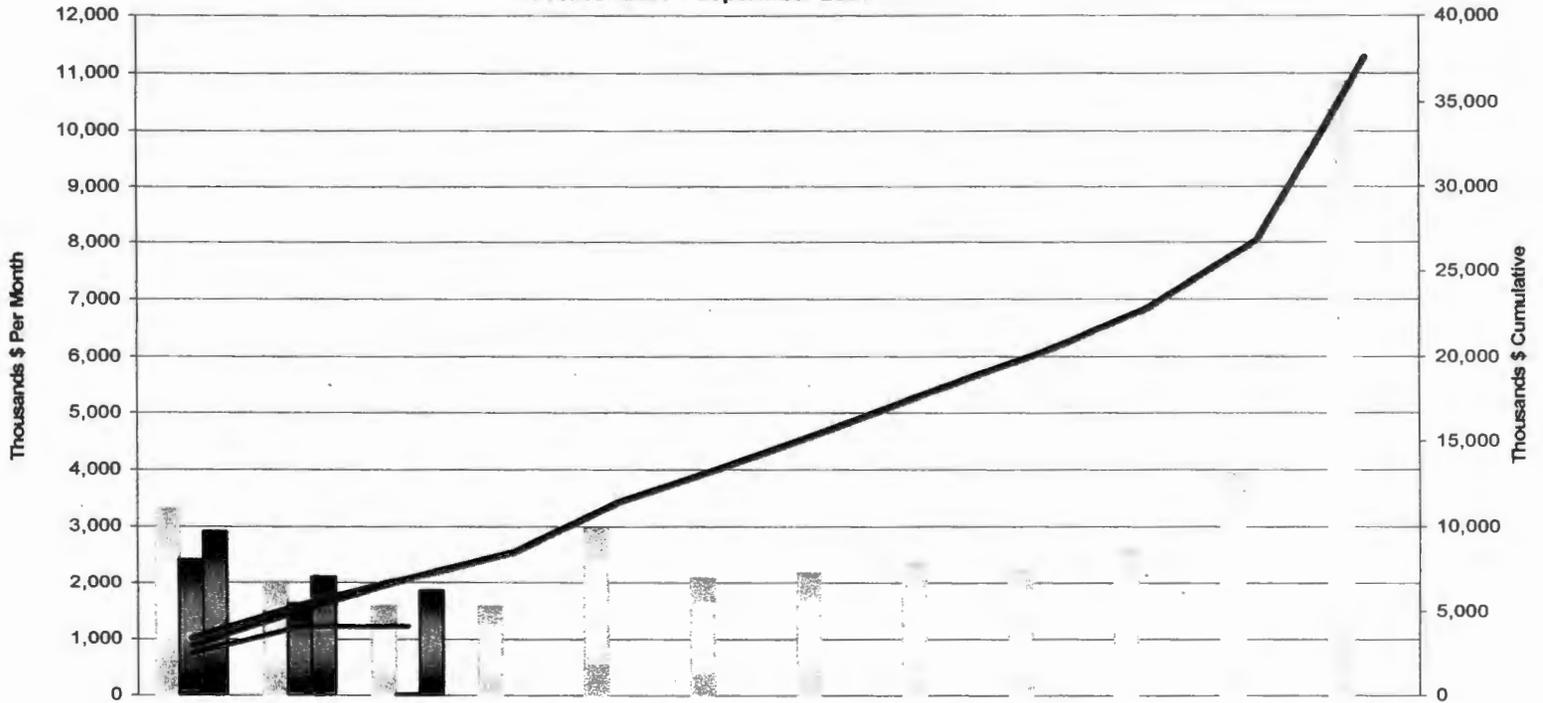
The subcontractor, CB&I, continues to lay out the melter pour caves for installation of the stainless steel liners. Crews finished placing the melter assembly pad on the south side of the LAW Facility.

In early January, BNI distributed the baseline change proposal (BCP) that moves approximately \$40 million of calendar year 2008 Early LAW work scope out to fiscal year (FY) 2009. These activities were moved into FY 2009 as an interim measure pending receipt of Tank Farms-based pretreatment facility conceptual design funding by the Tank Farms Contractor (TFC). BNI is currently experiencing schedule variances for activities intended to support TFC conceptual design work. In late January, BNI was directed to prepare a second BCP to develop a conceptual design report (CDR) associated with LAW First. Meetings have been held with BNI to refine the scope of the report and to integrate the scope with the TFC in order to develop a unified approach to LAW First. Despite this activity, the initial BCP to move Early LAW work scope was necessary as the sequencing of that work will be further refined within the CDR.

Turnover of the hot process cell overhead crane is scheduled for the end of January with testing to begin in mid February. Various BNI disciplines worked several months to ensure there is adequate documentation to support crane turnover. Construction plans to use the crane to install piping and components in and above the hot cell. The turnover package is nearly complete with maintenance, operations, and trained operators ready to use the crane to support construction activities.

LAW Fiscal Year 2007 to Date Performance October 2007 – September 2008 (\$ in thousands)

October 2007 - September 2008



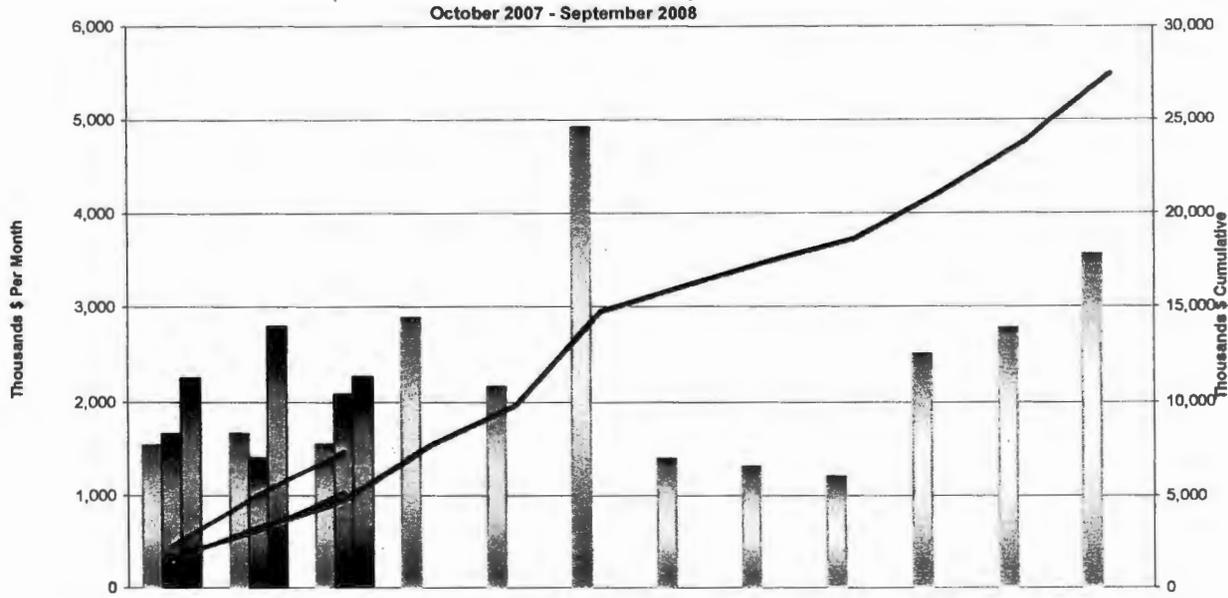
	Oct-07	Nov-07	Dec-07	Jan-08	Feb-08	Mar-08	Apr-08	May-08	Jun-08	Jul-08	Aug-08	Sep-08
Mthly Plan (BCWS)	3,305	2,005	1,587	1,583	2,956	2,079	2,173	2,352	2,235	2,556	3,926	10,854
Mthly Perf (BCWP)	2,408	1,619	20									
Mthly Actuals (ACWP)	2,904	2,102	1,854									
FYTD Plan (BCWS)	3,305	5,311	6,898	8,481	11,438	13,516	15,689	18,041	20,276	22,832	26,758	37,612
FYTD Perf (BCWP)	2,408	4,028	4,048									
FYTD Actuals (ACWP)	2,904	5,006	6,860									

Analytical Laboratory – January, 2008

Crews continue to install permanent roofing on the facility. The roofing system has several layers: a "Q" deck (corrugated metal) followed by a layer of insulation, a water barrier, and a final colored-steel layer. "Q" deck installation is complete and the subcontractor is installing the insulation layer. There are very few locations where the roof is not complete; one is near the LAB Stack, where some areas remain open to facilitate stack erection. Crews have also nearly completed siding installation. The only area that remains open, excluding doors and windows, is an elevated section on the south side of the LAB. Construction activities continue with installation of liner plate in the C3 and C5 cells, hot cell trolley, fire water piping and fireproofing, cable tray and supports, partition walls, ventilation ductwork, and permanent lighting. Installation of fume hoods in the low-activity waste portion of the LAB has also been initiated. Crews continue to install air handling unit (AHU) transition frames, which connect the AHUs to embeds in the facility decking. The subcontractor, F.D. Thomas, continues sandblasting and coating structural steel and decking.

ORP completed a review of the LAB hot cell fire protection system. ORP and BNI have discussed potential design concerns for the hot cell suppression system during operation because the National Fire Protection Association (NFPA) standards require sprinkler heads in corrosive locations to either be replaced or tested every five years. Removing and replacing threaded sprinkler head fittings in an operational hot cell is extremely difficult. Consequently, BNI is planning to collect information on the 222-S Laboratory fire protection system to understand its design configuration.

LAB Fiscal Year 2007 to Date Performance October 2007 – September 2008 (\$ in thousands)



	Oct-07	Nov-07	Dec-07	Jan-08	Feb-08	Mar-08	Apr-08	May-08	Jun-08	Jul-08	Aug-08	Sep-08
Mthly Plan (BCWS)	1,534	1,659	1,545	2,887	2,163	4,918	1,396	1,313	1,207	2,508	2,781	3,562
Mthly Perf (BCWP)	1,653	1,395	2,079									
Mthly Actuals (ACWP)	2,253	2,796	2,269									
FYTD Plan (BCWS)	1,534	3,194	4,739	7,626	9,789	14,707	16,103	17,416	18,623	21,131	23,912	27,474
FYTD Perf (BCWP)	1,653	3,049	5,127									
FYTD Actuals (ACWP)	2,253	5,049	7,317									

Balance of Facilities – January 2008

The Balance of Facilities (BOF) provides services and utilities to support operation of the main production facilities— Pretreatment (PT), High-Level Waste (HLW), Low-Activity Waste (LAW), and the Analytical Laboratory (LAB).

Construction forces finished placing the melter assembly pad on the south side of the LAW Facility. The process service water line hydrostatic test has been completed and process service water line installation is underway north of the PT Facility. Crews have started excavation for the cathodic protection system rectifier foundations. Preparations are underway to install the air compressor intake filters and controlled density fill has been placed over the last radiation lines between the HLW and PT Facilities.

Construction crews continue to install commodity rack steam and condensate piping in the overhead commodity rack. Coatings are being applied on hangers and supports. Vertical anodes are being installed on the permanent underground piping. These anodes will be connected to the cathodic protection system. Crews are painting the waste-transfer line carbon steel containment piping between the PT, LAW, and HLW Facilities and installing shrink sleeves as part of the overall piping corrosion prevention system.

In the Chiller Compressor Plant (CCP), BNI is installing motor starters, running electrical conduit, and installing small and large bore piping and air filter intakes on the exterior of the building.

BOF Engineering, Construction, and Startup groups have been working for several months to complete the Fire Service Water System (FSW) turnover from Construction to Startup. However, due to several technical issues (completion of wiring for the pump house and a number of open items) and unforeseen component failures (a major crack in a system isolation valve), turnover has been delayed until February 2008. Also, additional punchlist items identified in the prior walkthrough need to be resolved. A recent item that was approved for installation is a booster pump to maintain pressure in FSW lines for construction activities. When turnover is completed, the active portion of the FSW will not cover HLW, PT, and LAW Facilities, but will cover administrative areas. System testing is expected to begin in mid March 2008.

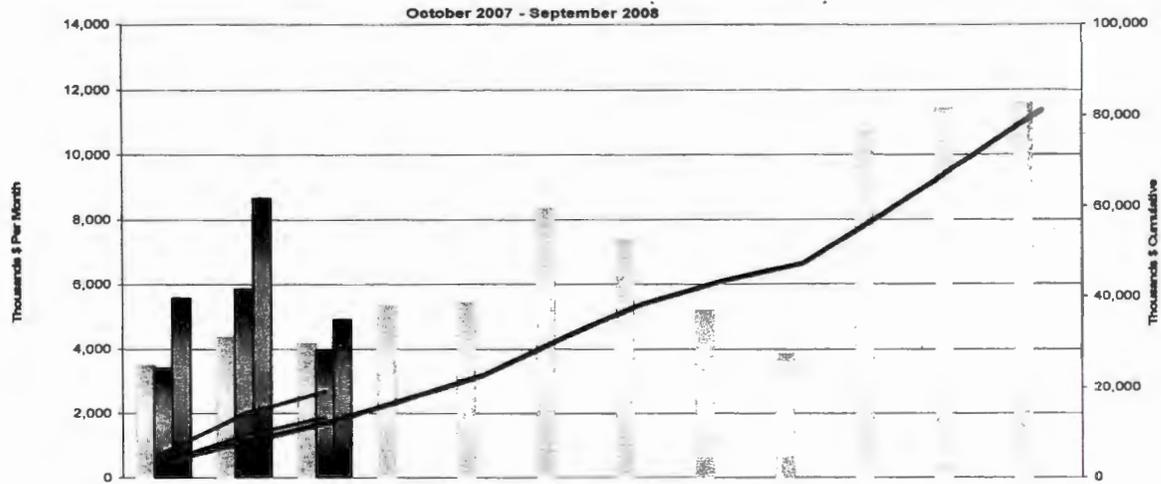
BNI has decided to procure radiation piping cushioning material as commercial, vice Q, and perform any required testing in house. The cushioning material supplier did not want to certify the cushioning material. In-house testing will prevent the material from shipping to the site until early summer.

Issues continue over the delivery of Glass Former Facility silos. The fabricator did experience difficulties with meeting contractual requirements with regards to coatings; however, those are resolved. The last silo is currently scheduled to ship in during April 2008, which is an improvement over the last reporting period when the expected ship date was June 2008. There are, however, some mechanical components

of the Glass Former Facility that will not be onsite until fall. These components come from a different vendor. ORP has been working with BNI to see what can be done to improve these delivery dates.

BNI continues to evaluate the reasons for the premature failure of the temporary propane line south of the LAW Facility. The corrosion pattern appears to be a combination of the type of coating applied and the presence of a strong galvanic field. As the piping is only temporary (7-year design life), BNI specified a coal tar coating as the required preservative. However, the coal tar coating was not inspected prior to installation so any damage to the coating was not repaired prior to piping installation. These damaged areas provided a point on the piping where it was more susceptible to corrosive attacks. BNI also suspects that the piping was installed in an area where there was a high direct current (DC) electrical potential because the piping was close to the LAW tower crane which uses DC power. Galvanic corrosion is more likely in areas where there is DC current in the ground. A segment of the removed piping has been sent to an independent organization to determine whether the corrosion was galvanic. BNI has put in place some testing of the materials and engaged the services of an independent corrosion expert to evaluate the mode of failure.

BOF Fiscal Year 2007 to Date Performance October 2007 – September 2008 (\$ in thousands)

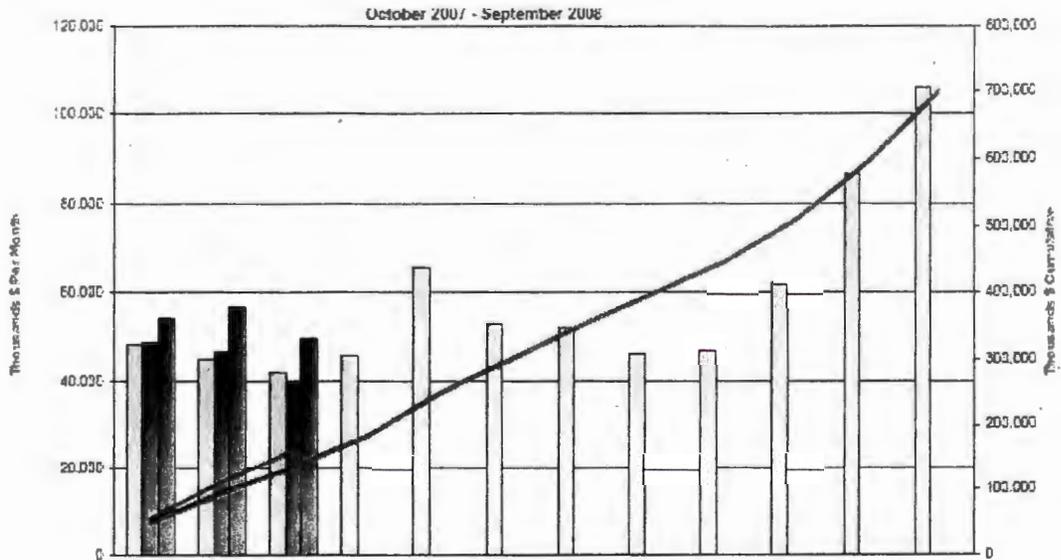


	Oct-07	Nov-07	Dec-07	Jan-08	Feb-08	Mar-08	Apr-08	May-08	Jun-08	Jul-08	Aug-08	Sep-08
Mthly Plan (BCWS)	3,471	4,358	4,163	5,319	5,415	8,327	7,366	5,173	3,855	10,693	11,427	11,589
Mthly Perf (BCWP)	3,408	5,851	3,964									
Mthly Actuals (ACWP)	5,554	8,632	4,887									
FYTD Plan (BCWS)	3,471	7,830	11,993	17,312	22,727	31,054	38,420	43,593	47,448	58,141	69,568	81,137
FYTD Perf (BCWP)	3,408	9,259	13,224									
FYTD Actuals (ACWP)	5,554	14,186	19,073									

Waste Treatment Plant Project - Percent Complete Status through December 2007

Facilities (M\$ - Thousands)	Overall Facility Percent Complete			Design/Engineering			Construction		
	Budget at Completion	Budgeted Cost of Work Performed	% Complete	Current Budget	Total Hours Earned to Date		Current Budget	Total Hours Earned to Date	
					Hours	% Complete		Hours	% Complete
Low-Activity Waste	5,588	3,044	54%	1,570	1,488	95%	2,273	1,182	52%
Analytical Lab	2,891	864	32%	877	429	80%	631	295	47%
Balance of Facilities	3,834	1,939	51%	778	591	76%	1,820	998	55%
High-Level Waste	9,783	3,606	37%	2,520	2,090	83%	5,253	1,129	21%
Pretreatment	15,017	5,504	37%	4,293	2,948	69%	8,149	1,993	24%
Plant Wide/Gen Services	42,355	18,767	44%	6,405	4,470	70%	5,367	2,193	41%
Total WTP	79,268	33,724	43%	16,043	12,016	75%	23,493	7,790	33%

WTP COMMODITY REPORT BY FACILITY				
Commodity	Unit of Measure	Installed During This Period	Installed to Date	% Installed to Date
Pretreatment				
Concrete	1000 CY	0.00	77.16	68.03%
Structural Steel	1 Ton	0.00	3,026	18.21%
Pipe	1000 LF	0.00	36.95	6.90%
Cable Tray	1000 LF	0.00	0.35	0.94%
Conduit	1000 LF	0.00	17.95	6.43%
Cable & Wire	1000 LF	0.00	0.00	0.00%
High Level Waste				
Concrete	1000 CY	0.00	46.01	52.50%
Structural Steel	1 Ton	0.00	611	6.37%
Pipe	1000 LF	0.00	3.45	2.11%
Cable Tray	1000 LF	0.00	1.20	3.34%
Conduit	1000 LF	0.00	14.27	6.39%
Cable & Wire	1000 LF	0.00	0.00	0.00%
Low Activity Waste				
Concrete	1000 CY	0.00	26.15	91.61%
Structural Steel	1 Ton	16.00	5,298	85.62%
Pipe	1000 LF	1.31	49.85	48.93%
Cable Tray	1000 LF	0.04	12.23	78.33%
Conduit	1000 LF	0.19	28.99	17.57%
Cable & Wire	1000 LF	0.00	0.00	0.00%
Laboratory				
Concrete	1000 CY	0.00	11.64	93.66%
Structural Steel	1 Ton	-85.00	1,670	97.09%
Pipe	1000 LF	0.10	10.12	27.70%
Cable Tray	1000 LF	0.00	0.00	0.00%
Conduit	1000 LF	0.00	0.96	1.89%
Cable & Wire	1000 LF	0.00	0.00	0.00%
Balance of Facilities				
Concrete	1000 CY	0.41	11.28	61.23%
Structural Steel	1 Ton	0.00	306	19.34%
Pipe	1000 LF	0.50	8.61	16.69%
Cable Tray	1000 LF	0.00	2.52	55.19%
Conduit	1000 LF	0.19	20.50	32.45%
Cable & Wire	1000 LF	5.03	183.96	27.25%



	Oct-07	Nov-07	Dec-07	Jan-08	Feb-08	Mar-08	Apr-08	May-08	Jun-08	Jul-08	Aug-08	Sep-08
Monthly Plan (BCWS)	46,396	44,788	41,831	45,782	65,535	53,177	52,304	45,458	47,722	62,237	86,820	106,956
Monthly Perf (BCWP)	48,646	46,632	39,366									
Monthly Actuals (ACWP)	54,226	56,917	49,446									
FY 08 TD Plan (BCWS)	48,356	93,164	135,016	182,798	246,333	299,460	351,764	396,212	446,533	508,171	584,590	700,946
FY 08 TD Perf (BCWP)	48,646	95,248	134,616									
FY 08 TD Actuals (ACWP)	54,226	111,143	160,591									