

Chicago Operations Office
Office of Program and Project Management

FY2002



Unit Performance Plan



October ~ 2001

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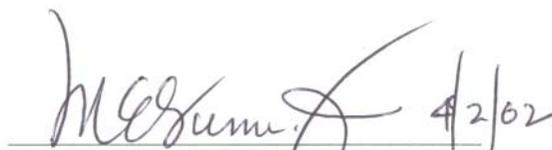
Approval of this plan constitutes an agreement between the two parties as to performance commitments, it is not an endorsement of projected resource requirements.

RECOMMENDED



Anibal L. Taboas, Assistant Manager
Office of Program & Project Management
November 16, 2001

APPROVED



Marvin E. Guhn, Jr.
Manager



**FY 2002 Performance Agreement Between the
 Manager, Chicago Operations Office
 And
 Assistant Manager, Office of Program and Project Management (PMO)**

This agreement summarizes FY2002 performance expectations and commitments between the CH Manager and the Assistant Manager, Office of Program and Project Management. These, along with a more complete list of organizational commitments are detailed in PMO's FY2002 Unit Performance Plan for FY2002.

The PMO mission is to advance the DOE mission through effective and efficient management of programs and projects. PMO provides program and project management support to DOE's mission areas of Energy Resources, Environmental Quality, National Nuclear Security and Science.

Expectations of the CH Manager for PMO programs and projects include:

- Public accountability
- Advocacy for mission and budget
- Resource allocations that provide for quality delivery of services,
- Excellence in technical support and oversight
- Quality, responsive, and cost effective services to our customers

Assistant Manager for PMO commitments and resource requirements include the following:

Commitments

Completion

Develop efficient distributed energy resources for placement near homes, offices and factories

- Demonstrate 5% increase in energy efficiency with an integrated microturbine/organic rankine cycle system

4th qtr. 2002

Continue EM cleanup at BNL

- Startup of Brookhaven Operable Unit III Middle Road groundwater remediation system
- Initiate construction of 2 ground-water treatment systems at BNL

1st qtr. 2002

4th qtr. 2002

Implement project baseline and contract changes necessary to support decisions by the National Security Council to advance Pu Distribution Program.

- Complete 30% of Final Design of MOX Fuel Fabrication Facility 2nd qtr. 2002
- Complete PDCF rebaseline change proposal (\$30M) and associated contract modification 3rd qtr. 2002
- Complete PDCF preliminary design. 3rd qtr. 2002
- Complete MOX rebaseline change proposal (\$80M) and associated contract modification 3rd qtr. 2002

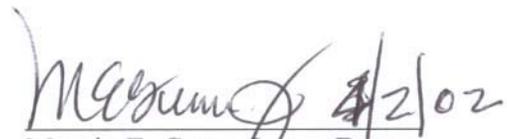
Resource Requirements:

<u>Organization</u>	<u>FY2002 FTEs</u>	<u>Support Services</u>
PMO Senior Staff	3	\$16,000
EE Program	4	\$16,500
Environmental Management		
PMO	16	\$811,500
AAO	2	\$22,000
BAO	7	\$100,000
Special Programs	8	\$179,000
Construction Grants	2	\$11,000

Critical Assumptions

- Option period for the Horne Support Services Contract is exercised by January 30, 2002
- Contracting Officer(s) and Administrators, skilled and experienced in awarding/administering cost type contracts, are available to support CH commitments in various approved Project Execution Plans
- EM does not further reduce the CH FTE Hiring Control Allotment of 81 due to the closure of the Center for Risk Excellence
- FY2002 funding allocations provided to CH by the Office of Environmental Management are sufficient to maintain currently authorized performance baselines


 Anibal Taboas Date 3.26.02
 Assistant Manager,
 Office of Program & Project Management


 Marvin E. Gunn, Jr. Date 4/2/02
 Manager,
 Chicago Operations Office

Purpose

The purpose of the DOE-Chicago Operations Office (CH) Office of Program and Project Management (PMO) Unit Performance Plan is to:

- Serve as the primary mission accountability document for PMO,
 - articulate PMO contributions to the DOE and CH missions,
 - set forth FY2002 performance commitments, which support various DOE program offices and CH strategic priorities,
- Outline PMO resource requirements for FY2002, and
- Serve as the basis for flow-down of individual performance expectations.

The Unit Performance Plan is a key document in CH's strategic performance based management process. In meeting or exceeding mutually agreed performance expectations, PMO can demonstrate the quality of our performance to various DOE program offices and CH.

Background

PMO's mission is to advance the DOE mission through effective and efficient management of programs and projects. PMO is providing program and project management support to DOE's mission areas of *Energy Resources, Environmental Quality, National Nuclear Security, and Science*.



PMO currently supports DOE programs for:

- Energy Efficiency and Renewable Energy,
- Environmental Management (EM),
- Long-term Environmental Stewardship,
- National Health and Safety Risk,
- Technology Development and Deployment,
- National Peer Review for Environmental and Waste Management Technologies,
- National Nuclear Security Administration for U.S. and Russian Weapons Grade Plutonium Disposition, and
- Congressionally Mandated Construction Grants for the Office of Science.

PMO is a CH line organization composed of technical, management, and administrative staff dedicated to managing programs and providing:

- Public accountability,
- Advocacy for mission and budget,
- Resource allocation,
- Planning,
- Technical support and oversight,
- Project control including implementation of DOE Order 413.3, definition and execution, and
- Quality, responsive, and cost effective services to our customers.



PMO serves as an extension of DOE Headquarters (HQ) Program Offices for specific programs and projects assigned. In achieving our mission, PMO helps to establish strategic partnerships among academic, scientific, private sector, and governmental entities.

PMO also serves a leadership role in CH's strategic efforts to develop, pursue, and implement new programs and initiatives that enhance CH's current business base and strengthen our organizational and individual competencies. In this capacity, PMO's Assistant Manager currently chairs the CH Strategic Planning Committee such that PMO leads and supports CH efforts to identify and develop programmatic concepts that address nationally significant challenges faced by the DOE.

Based upon our proven track record of successful program experiences and results, PMO continues to seek ways to enhance its value to departmental activities and CH. As such, PMO draws upon the following common elements in performing its work:

- ▶ Program and project management,
 - ▶ Unique partnerships and alliances,
 - ▶ Technical expertise,
 - ▶ Network acumen, and
 - ▶ The ability to apply these in creative ways to solve DOE problems and overcome challenges.

PMO has overall responsibility for the CH Environmental Management (EM) Program, including program resources assigned for execution at the Argonne Area Office (AAO), the Brookhaven Area Office (BAO), and the Environmental Measurements Laboratory (EML). Each of these CH components is distinct and has a separate unit performance plan.

Success Factors

PMO is committed to the success of the Chicago Operations Office and the success of the DOE programs and projects being managed by the organization. PMO provides support to office-wide efforts for achieving our CH FY2002 Corporate Critical Success Factors and is committed to achieving unique, program-specific performance expectations as outlined in our Performance Commitment's section.

PMO SUCCESS FACTOR

PMO completes all performance commitments to our DOE program sponsors and CH.

CH CORPORATE CRITICAL SUCCESS FACTORS

PMO's anticipated contributions to the CH FY2002 Corporate Critical Success Factors are:

1. Federal ownership for CH Management and Operating (M&O) contractor results is strengthened
PMO is not directly involved in the management of the CH M&O contractors. However, PMO provides oversight of environmental restoration, pollution prevention, waste management, energy efficiency, and related affirmative procurement efforts at CH laboratories. In coordination with the CH Area Offices, PMO staff assist in establishing the performance goals for these areas in the laboratories' M&O contracts and are responsible for all reporting to the DOE HQ Program Offices related to the laboratories' performance.
2. Develop, deploy, and implement an Integrated Management System
PMO assists in the development and implementation of the CH Integrated Management System. PMO anticipates contributing to the office-wide human resources analysis as well as the development of CH project management and business development handbooks.
3. Maintain and enhance the CH business base
PMO has a leadership role in CH's strategic efforts to develop, pursue, and implement new programs and initiatives that enhance our current business base and strengthen our organizational and individual competencies. PMO's Assistant Manager currently chairs the CH Strategic Planning Committee and has devoted two additional PMO FTEs to this critical function for the office. In this capacity, PMO is leading and supporting CH efforts to identify and develop programmatic concepts that address nationally significant challenges faced by the DOE.
4. Strengthen human capital
PMO will assist in activities focused on strengthening our human capital resources. PMO anticipates contributing to an office-wide comprehensive resource and organizational analysis. PMO will pursue training and certification of project managers after the certification process is established. PMO also supports the Office on new programmatic business captured through the CH strategic planning process. Reassigning, training and/or acquiring personnel may be required as a means to build our Office's talent base.
5. Becoming "One Chicago"
In conducting DOE program activities, PMO relies upon the principles of "One Chicago" to ensure mission success. We commit to the success of the CH strategic plan and priorities, which are addressed in specific PMO corporate performance measures. In addition, PMO personnel continue to contribute significantly to the development and implementation of the CH Strategic Management System as well as other corporate activities through participation on

various CH committees and teams. PMO staff also undertake various DOE duties and contribute to professional and academic organizations. The following three tables highlight PMO staff contributions to "One Chicago" and DOE.

PMO Staff Contributions to CH Committees/Teams

<i>PMO Staff</i>	<i>CH Committees/Teams</i>
Anibal Taboas	Chicago Executive Committee Strategic Planning Committee - Chair Resource Management Board
Jeff Roberts	Corporate Critical Success Factors Team Leadership and Succession Planning Team
Joanna Livengood	Strategic Planning Committee
Dick Baker	Strategic Planning Committee Operational Planning Team
Jackson Kinzer	Strategic Planning Committee
Pete Siebach	Leadership and Succession Planning Team
Elizabeth Lyon	Support Services Contractor Study Team
Mary Jo Acke	Communication Committee for the CH Strategic Plan
Mark Bollinger	IMAG Committee
Yvette Collazo	Chicago Operations Hispanic Employment Program Manager
Penelope Sipll	Graphics Support

PMO Staff Contributions to DOE Functions/Activities

<i>PMO Staff</i>	<i>DOE Functions/Activities</i>
Susan Heston	EM Long-Term Stewardship Working Group (DOE-Wide)
Yvette Collazo	National Hispanic Employment Program Managers Advisory Council (NHEPMAC) - Chair
Jill Jonkouski	DOE-DoD -NASA-NIST-Army-Navy-Air Force Interagency Coordinating Committee for Structural Ceramics DOE-DoD-NASA-Air Force Propulsion and Ground-Based Power Systems Alliance Ceramics Committee for the ASME International Turbo Expo 2002 (DOE Representative)

PMO Staff Contributions to Professional and Academic Organizations

<i>PMO Staff</i>	<i>Professional/Academic Organizations</i>
Anibal Taboas	American Society of Mechanical Engineers Executive Committee
Joanna Livengood	Air & Waste Management Association AE-1 Committee: Control of Particulate and Associated Acid Gases - Chair Air & Waste Management Association EI-3 Committee: Industrial Furnaces and Boilers - Vice-Chair
Alvin Young	California Polytechnic State University College of Agriculture Advisory Board Committee, San Luis Obispo, CA Wilbur Wright College Advisory Committee for the Environmental Technology Program, Chicago, IL Crownpoint Institute of Technology Veterinary Assistant Advisory Board, Crownpoint Institute of Technology, Crownpoint, NM

Customer Base

PMO provides a broad range of technical program and project management services. As a result, PMO customers and stakeholders consist of a varied group that includes several organizations within DOE as well as regulators, Congressional representatives, and community members. The following outlines our customers for each business line:

PMO'S BUSINESS LINES AND CUSTOMERS

<i>Business Line</i>	<i>Major Customers</i>
Energy Efficiency	Office of Power Technologies (EE-10) Office of Transportation Technologies (EE-30)
Environmental Management	EM, SC, NE, Regulators, Community Members
Center For Risk Excellence	EM, Operations Offices
Weapons Grade Plutonium Disposition	Office of Assistant Deputy NNSA Administrator for Fissile Materials Disposition (NN-60)
Construction Grants	SC, Congressional Representatives

While each business line has its own set of customers, their expectations from PMO can be summarized as follows:

1. Provide high quality technical management of the projects and programs assigned to PMO;
2. Keep the HQ Program staff cognizant of progress, problems, and issues, and provide recommendations for HQ action;
3. Provide timely budget and cost data, schedules and milestones for overall program planning;
4. Develop and execute solicitations and awards of new and/or ongoing R&D projects;
5. Maintain high competence in the developing technologies related to the programs managed;
6. Work with HQ and contractor personnel in an open, collegial, courteous and cooperative manner; and
7. Provide timely advice, information and opportunities for open two-way communication with decision makers.

PMO strives to deliver superior value to our customers and partners by focusing on our customer's requirements, expectations, providing products, and services that satisfy their needs.

Summary of Major Services

PMO is a team of technical, management, and administrative staff that deliver program and project management services to various DOE Program Offices. Our major services are summarized below by program area.



Energy Efficiency Program

The CH Energy Efficiency Program Team (EEPT) directly supports Distributed Energy Resources (DER) efforts to develop the "next generation" of clean, efficient, reliable, and affordable distributed energy technologies. Distributed energy systems are small-scale (< 50 MW, often 1-100 kW) modular units that are located on or near a customer's premises. The customer usually owns distributed systems, or they may be owned and operated by a third party that provides services to the customer. Distributed generation technologies are the 'prime movers' such as microturbines, reciprocating engines, fuel cells, advanced turbines, solar energy, and wind. Cooling, heating, and power systems, or CHP, utilize waste heat from electricity generation for space or hot water heating – effectively doubling the energy efficiency compared to electric generation alone.

The focal point for the Department of Energy's efforts in distributed energy lie in the Office of Power Technologies (OPT), where the technology development efforts span a wide range of approaches. The Office follows a portfolio-based approach that seeks to address the most pressing energy and environmental challenges facing the nation, across the entire energy value chain supply, delivery, storage, and end-use in as balanced and flexible a manner as possible. Federal appropriations for the entire OPT portfolio was about \$350 million for FY2001. Of that, about \$48 million was appropriated for DER activities such as technology development in turbines and microturbines, advanced reciprocating engines, fuel cells for buildings, absorption heat pumps and chillers, and technical based activities, which include advanced materials and components.

The CH Energy Efficiency Program Team (EEPT) draws on a strong organizational experience that spans more than 20 years in the CHP arena. In its current role, the EEPT comprises a technical team that leads technology development efforts with the manufacturers of prime movers - advanced turbines, microturbines, reciprocating engines, and building fuel cells - and supporting activities with technology owners such as emissions prevention, structural ceramics, ceramic matrix composites, and advanced protective coatings. The fiscal 2001 budget authority for DER in Chicago was nearly \$23 million, about one-half of the total DER budget. For projects specific to Chicago, this budget authority is nearly 80 percent of the relevant DER budget categories assigned.

Under the DER strategy, the EEPT provides project management as well as support to the implementation of partnering activities among industrial entities, Federal and State Agencies, and the public sector. Responsibilities of the Energy Efficiency Program Team comprise technologies, materials, and components for distributed power systems including industrial turbines, microturbines, natural gas fired reciprocating engines, and building fuel cells. The EEPT also supports the heavy vehicle transportation program and participates in other activities under the Office of Energy Efficiency and Renewable Energy such as the Science and State Demonstrations Initiatives. All of these activities ensure an important role for CH in helping to sustain the Nation's strategic energy needs.

At the start of FY2002, the EEPT technically manages nearly 60 projects with private companies, national laboratories, and universities. The total value of active projects is \$500 million and covers a period from 1995 to 2006. The average industry share of this value is 45 percent.

Environmental Management (EM) Program



The Environmental Management business line provides technical and program management of all environmental restoration and waste management programs at Chicago Operations Office. This business line is broken into three functional areas to carry out the program mission. These program areas are:

- Environmental Restoration,
- Waste Management, and
- Pollution Prevention.

The business line philosophy is to complete existing EM funded cleanups at our sites, eliminate liabilities from legacy waste, aid CH in moving excess facilities toward cleanup, and reduce future environmental liabilities through pollution prevention. HQ EM delegated Acquisition Executive authority under DOE Order 413.3 to the Assistant Manager for PMO for CH EM projects with a total project cost of \$100 million or less.

The following provides key assumptions for the CH/EM Program:

- Legacy waste formally accepted through site baselines and work authorization plans at the laboratories will remain under the EM program until it is eliminated.
- All groundwater and soil contamination projects at CH laboratory sites will be completed in accordance with the definition of “complete cleanup” provided in the FY2006 Plan guidance. Residual pump and treat activities, as well as any surveillance and maintenance activities, will be transferred to site landlord programs.
- Due to budget constraints, EM funded D&D projects at ANL-E and BNL will be severely curtailed. At ANL-E, an orderly shutdown of the D&D program will occur in FY2002. Future continuation of D&D projects will depend on funding availability. Delays in D&D completion will necessitate schedule extensions to beyond FY2006.

Excess facilities at CH sites will be transferred from respective landlord program offices (i.e. NE and SC) to EM under provisions of DOE’s Life-Cycle Asset Management Order. Disposition of these facilities will be accomplished under the auspices of this business line.

PMO serves all of CH by leading and coordinating waste management and pollution prevention activities for all CH sites irrespective of funding source.

ENVIRONMENTAL RESTORATION

The Environmental Restoration Program provides integrated management and oversight of activities related to selection and implementation of environmental restoration remedies at CH sites, including the completion of decontamination and decommissioning activities at Argonne East and Brookhaven. Our customers include the EM and Science Program Offices in HQ, stakeholders, and other taxpayers who maintain interest in the progress of cleanup at CH sites.



PMO serves as the principal liaison for cleanup activities between CH Area Offices/Labs and HQ EM-34/other DOE Field/Operations Offices. We coordinate and oversee all planning, budgeting, and execution of environmental restoration activities at CH sites, including development of Work Authorization Plans, baselines, and Paths to Closure documents (including waste disposition maps). PMO serves as the representative and advocate of CH issues on national committees such as long-term stewardship work groups and user steering committees for technology development. Program objectives are pursued in consultation and cooperation with the environmental restoration line managers within each CH Area Office.

The focus in FY2002 continues to be reaching closure with regulators and other stakeholders regarding remaining remediation decisions for Argonne East and Brookhaven. Agreed-upon remedies or cleanup goals are key factors in striving toward FY2006 completion of identified site work (with the exception of ongoing monitoring and operations/maintenance of treatment systems). However, funding cuts in FY2002 for D&D activities will force the safe shutdown of ongoing D&D activities at the CH sites. We are making every effort to help reduce the impact on program and project personnel.

Argonne National Laboratory, through the Argonne Area Office, continues to work with the Illinois Environmental Protection Agency to streamline processes for work plan approval and “no further action” determinations under the RCRA Corrective Action process. A DOE Independent Closure Assessment during October 2001 concluded that the Program was in position to complete cleanup by the close of FY2003, pending full funding.

The Brookhaven site continues to implement environmental remedies under the Interagency Agreement with USEPA Region 2 and New York State Department of Environment and Conservation. A comprehensive baseline validation was conducted during FY2001 and efforts to achieve the accelerated cleanup schedule will continue during FY2002. The High Flux Beam Reactor Decommissioning Project met its FY2001 objectives ahead of schedule and under budget. Objectives included stabilization and the development and validation of a project baseline. The result for FY2002 and beyond is a significant reduction in the surveillance and maintenance cost until eventual D&D can begin. A Record of Decision (ROD) for Brookhaven groundwater cleanup activities under Operable Unit (OU) VI was signed in March of FY2001, with another ROD for OU V, Peconic River, expected during FY2002.

WASTE MANAGEMENT (WM)

PMO leads and coordinates waste management for all CH sites. The scope includes assistance and coordination with treatment and disposal, coordination with disposal sites, establishment of waste policies in conjunction with EM and Office of Science, and ensuring compliance with EPA and DOE waste policies.



The current goal of the CH Waste Management function is to maintain minimal environmental liabilities at our sites by ensuring rapid disposal of routine waste, developing cost-effective solutions for environmental restoration waste, and elimination of stockpiled waste.

The focus in FY2001 was to significantly work off unique and stored waste at all CH sites. Emphasis was placed on characterizing stored transuranic waste and preparing for disposal at WIPP. The focus in FY2002 will be on continuing efforts to integrate waste management activities at the sites to reduce costs.



POLLUTION PREVENTION (P2)

PMO serves all of CH by leading and coordinating the Pollution Prevention Program. The scope of the program addresses the reduction of future environmental liabilities through waste reduction, affirmative procurement of recycled products, Toxic Release Inventory reductions, and recycling of excess chemicals and other materials.

The current goals of the CH Pollution Prevention Program include reduction of routine hazardous, mixed, and low level waste generation by 80 to 90% by 2005 relative to 1993 baselines, and 100% procurement of EPA-designated categories of recycled products. Additional goals for FY2002 include a 10% reduction in the quantity of waste generated by environmental restoration projects that will require ex-situ treatment or disposal and continuing Green Design efforts for new facilities.

Center for Risk Excellence

In 1997, the Office of Environmental Management (EM) formed the Center for Risk Excellence (CRE or Center) to act as a focal point for advice on risk-related matters. Its role is to serve as an EM corporate resource on key risk assessment, management, and communications issues. The Center is to provide leadership, expertise, and integration of risk activities through strategic partnerships. Its aim is to be a catalyst for improved (i.e., safer, faster, cheaper) environmental decisions through sound risk management. The risk related activities of the Center are complemented by the Center's Technology Development and Deployment Program and the National Peer Review Program. Their expertise enables the Center to support development of technological tools to mitigate risk where existing tools and methods are inadequate.



NATIONAL RISK PROGRAM

The focus of the National Risk Program's activities has been on helping EM develop credible integrated risk information to: (1) provide a baseline for determining the progress of the cleanup effort, (2) more efficiently manage nuclear materials and waste, (3) assist with planning and prioritization decisions, and (4) determine the level of risk and/or hazard reduction in a variety of EM programs. Major efforts during FY2001 included:

1. Risk communications outreach through continued publication/development of *Risk Excellence Notes*, material based "Hazard Profiles", and thirty-four contaminant fact sheets;
2. Sponsorship of an international conference on environmental risks called *Eco-Inforna*;
3. The maintenance of the Risk Assessment Information System and the Cleanup Criteria Decision Database (including the development of a graphical interface to compare proposed with existing cleanup criteria);
4. Site and complex-wide recommendations concerning environmental stewardship and cleanup decision-making;
5. Sponsorship of sixteen student interns; and
6. University research to study and resolve environmental health risk issues.

To accomplish its mission, the National Risk Program coordinates the activities of a cadre of scientists and engineers selected from national laboratories, academia, and consulting firms to support EM Headquarters and Operations Office clients. These human resources enable the National Risk Program to maintain the continuity, competence, and consensus it requires to effectively support EM. The National Risk Program is funded at a level that allows it to advise and provide limited consultation to any organization with a risk-related need. Leveraged partnerships

with line organizations allow the Center to tackle larger problems in which more extensive assistance is required.

CH TECHNOLOGY DEVELOPMENT AND DEPLOYMENT PROGRAM

This program provides for the development, demonstration, and deployment of innovative and commercially available technologies that accelerate cleanup schedules, reduce costs, or otherwise enhance the CH EM programs effectiveness. Technologies are evaluated and selected according to criteria that demonstrate cost savings, shorter schedules, less risk to workers and/or the public, and reflect input from regulators and stakeholders. Customers are CH sites with environmental management needs that cannot be met efficiently and/or effectively with existing technologies. The mutual expectation is that the Technology Development and Deployment Program will identify innovative solutions to environmental cleanup and long-term stewardship.

NATIONAL PEER REVIEW PROGRAM

The objective of the National Peer Review Program is to provide the EM Office of Science and Technology (OST) decision makers with uniform, independent, and high quality technical reviews, on a timely basis, to assess the scientific and engineering merit of OST technology development activities.

The major public benefit stimulated by this program is the expedited delivery of innovative technologies. Both the DOE and the private sector have many common environmental contamination issues that require technology innovations in order to provide an overall reduction in health and safety risk to the public and on-site workers. Of all the environmental technical problems currently known, it is estimated that DOE and the private sector share at least 95 percent whereas less than 5 percent are unique to DOE. This DOE/private sector commonality is also evident in the area of cost reduction, where both DOE and the private sector are in urgent need for innovative technological solutions to lower environmental mortgages to taxpayers.

National Peer Review Program reviews have been traditionally used to help ensure that technologies under development are of high quality. Independent technical experts conduct these peer reviews which provide for a unique and innovative approach to qualifying and mainstreaming innovative environmental technologies. Peer reviews are an integral part of program management supporting the development of OST's program strategy and its investment decisions.

Special Programs

The Special Programs Team (SPT) provides integrated technical and contractual support for work assigned to CH by the Assistant Deputy Administrator for Fissile Materials Disposition (NN-60) within the National Nuclear Security Administration (NNSA).



NN-60 is responsible for all DOE activities relating to the management, storage, and disposition of fissile materials from weapons and weapons systems that are excess to the national security needs of the United States. The key specific objectives of the program are:

- Reduce the large costs associated with the storage of surplus U.S. plutonium;
- Dispose of 50 metric tons of surplus U.S. plutonium; and
- Prevent the risk of theft or diversion of surplus Russian plutonium – permanently (non-proliferation, not arms control).



The Special Programs Team, with assistance from the CH Acquisition and Legal organizations, has supported NN-60 in the planning, acquisition and management of two large projects that support the overall goals of the program in addition to the Contract Selection Board for the Russian work which is on hold. The two ongoing projects are described as follows:

MIXED OXIDE (MOX) FUEL PROGRAM

In January 1997, the Department of Energy announced a dual path strategy to address surplus weapons plutonium disposition. One path is to immobilize the plutonium by encasing it in large highly radioactive waste canisters and eventually placing it in a geologic repository. The second path is to create nuclear reactor fuel by combining the oxides of the plutonium with oxides of uranium (thus the term “mixed oxide fuel”) and irradiating the fuel in commercial light water reactors.

In 1999, DOE Chicago Operations Office awarded a contract to Duke COGEMA Stone & Webster (DCS) to perform fuel fabrication and reactor irradiation services to support the plutonium disposition program. Under DOE’s direction, DCS and its subcontractors, will design, construct, and operate a mixed oxide fuel fabrication facility, licensed by the NRC, at Savannah River. DCS through its subcontractors will also perform activities necessary to “qualify” MOX fuel for use in commercial light water reactors, modify them as necessary to use MOX fuel, and obtain the necessary NRC license amendments. The DCS is responsible for the managerial and technical integration of all activities.

The MOX Contract and Project Controls Manager oversees the contract between DOE and DCS, monitors and evaluates DCS performance, and ensures the development, implementation, and maintenance of an effective and efficient project control system. During FY2002, the Special Programs Team staff will continue to perform contract management and project control activities to support the project. The DOE management functions will continue and, indeed, increase due to the greater maturity of the project. DCS and its subcontractors will proceed with the final design and NRC licensing of the fuel fabrication facility, implement the necessary plans and steps for future fabrication of lead test assemblies in Europe, continue design of mission reactor modifications for use of MOX fuel, proceed with the technical, regulatory and environmental requirements for the transportation of the fuel, and conduct the project management activities needed to ensure managerial and technical integration of all project activities.

PIT DISASSEMBLY AND CONVERSION FACILITY (PDCF)

About two-thirds of the surplus U.S. weapons-grade plutonium exists in classified nuclear weapons components called “pits”. The National Nuclear Security Administration plans to build a Pit Disassembly and Conversion Facility at the Savannah River Site. The facility will use the Advanced Retrieval and Integrated Extraction System (ARIES) process to:

- Disassemble plutonium weapons components;
- Separate the plutonium metal from other weapon parts;
- Convert the plutonium to an unclassified plutonium oxide form; and
- Package the plutonium oxide for storage, pending disposition in the MOX Fuel Fabrication Facility.

The Office of Fissile Materials Disposition (NN-60) assigned to CH the procurement and administration of an Architect-Engineer contract for the design of the PDCF. Chicago Operations Office awarded the design contract to Raytheon Engineers and Constructors (now Washington Group International (WGI)) in June of 1999.

The design contract was scheduled to be completed in FY2002; however, in February of 2000, it was determined that eleven additional technical studies and a full assessment of the Savannah River site requirements were needed to proceed. An additional year was added to the design to incorporate the additional work. Also, in order to reduce the anticipated future year peak funding requirements



for the entire Plutonium Disposition program, construction of the Pit Disassembly and Conversion Facility is being delayed until the construction of the MOX Fuel Fabrication Facility is substantially complete. In FY2001, a rebaseline proposal was submitted which stands to increase the design contract by about \$30 million.

Within PMO, the PDCF Contract and Project Control Manager oversees the performance baselines of the contract, evaluates WGI performance, and establishes and maintains the project control functions for the project, including the activities performed by others such as the national laboratories and subcontractors. She also provides project management support to the Headquarters Project and Technical Managers.

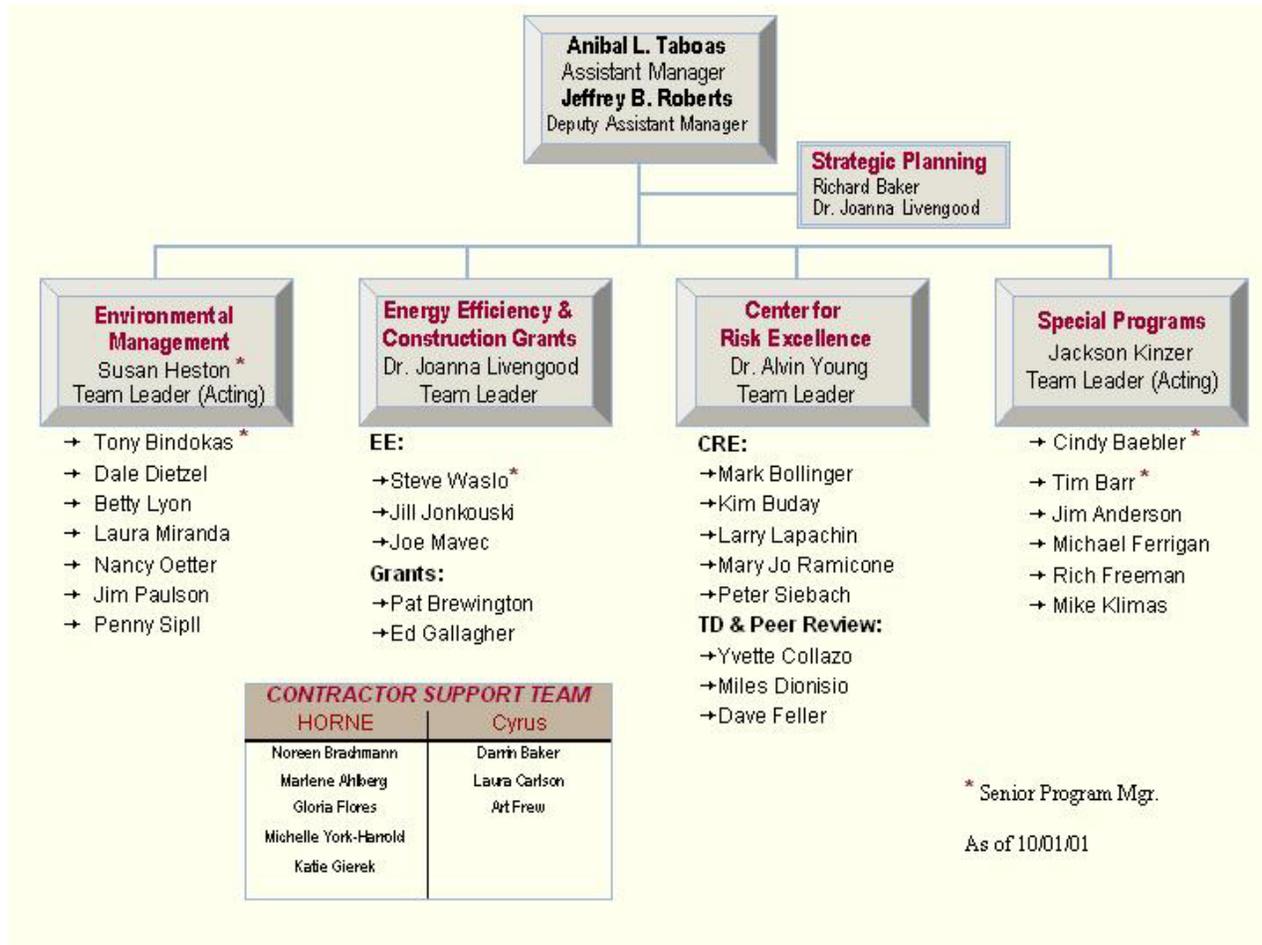
After the acceptance of the rebaselining proposal, FY2002 will start with modification of the contract. The complexity and size of the modification will require significant work by PMO, Acquisition, Legal, and other matrix support organizations within CH. It is anticipated that it will take several months to complete and will require Headquarters business clearance. The contractor will proceed with the design, reaching 60% (of Title I) in late November 2001 and finishing the preliminary design in summer of 2002. Detailed Design will begin in May/June of 2002.

Congressionally Mandated Construction Grant Program

This business line provides technical and project oversight for Congressionally mandated construction grants. Activities involve the awarding and monitoring of construction grants mandated by Congress. PMO assists the Office of Science in executing their assigned responsibilities for managing these construction grants. Eighteen new grants were awarded in FY2001. At the start of FY2002, PMO is managing thirty-one construction grants.

DOE's active involvement in these projects with community institutions such as universities, hospitals and research organizations can help build positive images of DOE. By participating in project reviews and site visits, DOE is recognized as providing a direct, valuable contribution to local communities and to society since the majority of the projects are involved in the areas of science, technology or the health industry.

Organization Chart



Resource Requirements

	FY2002 FTE's	Travel \$	Training \$	Support Services \$
PMO Senior Manager Staff	3	25,000	2,000	16,500
Energy Efficiency Program	4	45,000	2,000	16,500
Environmental Management				
PMO	16	155,000	26,000	811,500
AAO	2	5,000	2,000	22,000
BAO	7	5,000	2,000	100,000
Special Programs Team	8	65,000	5,000	179,000
Construction Grants	2	17,500	3,000	11,000
TOTAL:	42	317,500	42,000	1,156,500

Funding Sources: EE-3, EM-26 (PMO-17, Other-9), NN-8, SC-5.

A functional needs and priority listing is available as a separate document.

Unit Performance Commitments

PMO CORPORATE

GOAL: Support "One Chicago" and the successful execution of the activities specified in the CH FY2002 Strategic Priorities Plan.

Objective:

Provide PMO staff resources so that CH can successfully accomplish the CH FY2002 Strategic Priorities in a timely manner.

Measure: For Strategic Priority CHP-2, "Strategically Manage Human Capital," provide PMO resources and expertise as requested to make timely progress toward the activities' completion dates.

Expectation: Assess and execute individual tasks by the requested dates to facilitate accomplishment of the CHP-2 activities by their scheduled completion dates.

Measure: For Strategic Priority CHP-3, "Promote Operations Office Roles and Responsibilities," contribute PMO expertise and assistance as needed for the successful completion of this priority.

Expectation: Identify opportunities for promoting CH roles and responsibilities and provide PMO speakers, expertise, and assistance in a timely manner, as requested.

Measure: For Strategic Priority CHP-4, "Complete Projects Successfully," provide PMO resources and expertise as requested to make timely progress toward the activities' completion dates.

Expectation: Assist in the development and timely implementation of project protocols. Contribute toward baseline independent reviews of projects, as requested. Work toward certification of all PMO project managers after the certification process is determined.

Measure: For Strategic Priority CHP-7, "Explore Business Initiatives," provide PMO leadership for three of the five strategic initiatives.

Expectation: Complete near-term activities of "Enhanced Government Support of Civilian Nuclear Power - A National Demonstration Project" initiative by 12/31/01.

Complete feasibility assessment of "Domestic and International Technology Commercialization Support" initiative by 3/31/02.

Complete feasibility assessment of "Expand the DOE Distributed Energy Resources Program" initiative by 3/31/02.

Measure: For Strategic Priorities CHP-1, "Institutionalize Strategic Management," CHP-5, "Enhance Integrated Management of M&O Contracts," and CHP-6, "Integrate GOGO Laboratories into the CH Portfolio," provide PMO resources and expertise if requested.

Expectation: Contribute PMO assistance for the successful completion of these priorities, if requested.

Measure: Conduct annual PMO self-assessment, record actions, and report action plans.

Expectation: Complete annual PMO self-assessment by 9/30/02.

ENERGY EFFICIENCY (EE)

GOAL: In partnership with the DER program, contractors, and other stakeholders, provide leadership, enhanced communications, and effective fiscal and project management to successfully develop a wide range of energy efficient technologies; to solve environmental, social, and competitive issues of distributed generation (DG); and to facilitate adoption of efficient and cost competitive cooling, heating, and power (CHP).

Objective:
Manage projects effectively to minimize baseline variances.

Measure: For identification of problems and early intervention, by the end of the 2nd quarter of FY2002, hold a review meeting with each private contractor in the low emission turbines, microturbines, advanced materials, reciprocating engines, and building fuel cell program areas.

Expectation: Completed as specified - satisfactory.
Not completed - unsatisfactory.

Objective:
Ensure effective use of available funds to achieve scheduled program progress.

Measure: Control and limit overall uncosted obligations for each program area by the end of FY2002 with substantial uncosted reductions by the end of the 11th month.

Expectation: 15% uncosted by year-end - exceptional.
20% uncosted by year-end - outstanding.
25% uncosted by year-end - excellent.

Objective:
Technical performance will achieve expected program progress.

Measure: Identify significant technical requirements in FY2002 that move the DER technologies on pace with program demands and ensure that technical progress achieves those requirements.

Expectation: Identified milestones are completed as follows.

Milestone	Plan	Actual
Pass definitive Massachusetts compliance test for CFCC low-emission combustor liners at Malden Mills.	01/02/02	
Demonstrate 80 kW from Generation 1 ORC subsystem with simulated exhaust from ST5 turbine.	01/02/02	
Complete 300 hours of CFCC shroud testing under F-class gas-turbine conditions	01/15/02	
Start endurance test of Mercury 50 with 60-percent more heat-resistant TBC coatings than currently available.	12/02/01	
Demonstrate low single digit NOx on a PCI-combustor-equipped Saturn Turbine.	03/02/02	
Complete first development recuperator core (347 material)	06/30/02	
Demonstrate a 5-point increase in electrical efficiency with an integrated ST5 microturbine/Gen 1 ORC system.	07/02/02	
Start 8000-hour test of advanced TBC-coated first stage vanes and blades in W501FD (192 MW) turbine at Calpine in Houston, Texas.	08/30/02	
Complete fabrication of full engine full catalytic combustor hardware for Taurus 70 engine prototype engine at 3 ppm NOx.	09/01/02	
Achieve successful operation of catalytic pilot burner in Taurus 70 engine prototype, with 5-9 ppm NOx for 50-100 percent base load and with very low (<<0.25%, 0.6 psi) acoustics.	09/01/02	

ENERGY EFFICIENCY (EE)

Outstanding - All milestones are accomplished with only a few minor corrections.
 Excellent - Nearly all milestones are accomplished with only a few significant corrections.
 Satisfactory - Some significant corrections are necessary, but the overall program remains strong and viable.
 Unsatisfactory - Necessary revisions will affect the outcomes of the overall program.

Objective:
 Communications will identify relevant information and status for each project.

Measure: Complete project fact sheets that communicate project statistics and update status each quarter and other times as necessary.

Expectation: Fact sheets will be completed for all projects by the end of the 2nd quarter of FY2002.
 Satisfactory or Unsatisfactory - rated by DER.

ENVIRONMENTAL MANAGEMENT

Goal: The Environmental Management (EM) Team goal is to achieve cleanup and closure of CH geographic sites and facilities in a manner that is safe, cost-effective, and coordinated with stakeholders. The EM Team commits to facilitate the removal of obstacles that increase costs and prevent schedule acceleration or successful achievement of the Secretary's Pollution Prevention Goals.

Objective:
 Manage program in a financially responsible manner.

Measure: Minimize uncosted balances through effective work planning and funds management techniques.
Expectation: 09/30/02 uncosted balances for EM restoration projects are less than 10% of FY2002 Budget Authority.

Objective:
 Reduce CH waste environmental liability.

Measure: Decrease stored waste liabilities at all CH sites.
Expectation: Waste stored at the end of FY2002 is 5% less than at the end of FY2001.
Expectation: Initiate the shipment of ANL-E TRU waste to WIPP.
Measure: Update the annual analysis of status and actions needed to meet the Secretary's routine waste reduction and affirmative procurement goals.
Expectation: Complete analysis by 07/28/02.

Objective:
 Complete the Environmental Restoration cleanup program at the two remaining CH sites. Achieve all CH/EM annual performance commitments.

Measure: Maintain schedules for completion of CH sites and meet FY2002 CH/EM performance goals and/or implement necessary corrective measure to mitigate impacts.
Expectation: Improve total program cost and schedule variances by 1.5% by the end of FY2002, as compared to FY2001 results.
Expectation: Complete release sites and facilities. (Plan vs. Actual)
 More release sites and facilities completed than planned and all milestones met on or before planned dates- exceptional.
 100% of planned number or release sites/facilities completed and all milestones met on planned dates - outstanding.
 90% of planned release sites/facilities completed and 3 out of 4 milestones met on planned dates - excellent.
Measure: Monitor program lifecycles baselines to reflect currently anticipated scope, costs, and schedule.

ENVIRONMENTAL MANAGEMENT

Expectation: Conduct Brookhaven Baseline Review/Contract Performance Assessment by 10/01.

Expectation: Maintain CH EM Change Control System and expeditiously disposition Site Baseline Change Proposals. All BCPs dispositioned in seven days or less - exceptional. All BCPs dispositioned in ten days or less - outstanding. Average disposition time for BCPs of ten days - excellent.

Measure: Facilitate knowledge and acceptance among landlord programs and other stakeholders regarding end states for sites and facilities at completion of EM Program.

Expectation: Signed transfer agreements between the Office of Science and EM for Bldgs. 650, 650A, and the Brookhaven Medical Research Reactor at Brookhaven and CP-5 and 200 M-Wing Hot Cells at Argonne by 03/02.

Expectation: Conduct briefings for the Office of Science on end state of the HFBR and BGRR by 03/02.

CENTER FOR RISK EXCELLENCE (CRE)

NATIONAL RISK PROGRAM

Goal: Facilitate the sound use of risk in development and application of standards.

Objective:
Sites/stakeholders will have web access to regulator designated and negotiated corporate cleanup standards.

Measure: Develop and maintain web-based tools to promote the use of risk assessment.

Expectation: Finalize web interface with Cleanup Criteria Decision Database by 12/01.

Expectation: Enhance the web-based Risk Assessment Information System by adding a worker component by 09/02.

Goal: Risk will be a common language among stakeholders, regulators, and DOE.

Objective:
Communications initiatives will be undertaken to present EM programs and issues from a risk perspective. Training will be provided to teach DOE staff and stakeholders how to use risk as a basis for communication.

Measure: Continue publishing the Risk Excellence Notes and offering risk related training.

Expectation: Publish six bi-monthly issues of Risk Excellence Notes.

Expectation: Offer two risk communications courses - Target: practical risk communications for executives, and core risk assessment concepts by 09/02.

Goal: Ensure that risk data are effectively and efficiently generated for its use in decision-making and communications.

Objective:
Help identify project/program alternatives, which reduce costs and schedules while maintaining current low risks or reducing them.

Measure: Provide leadership, advice and assistance to HQ and Field organizations to improve the quality of the Department's risk data.

Expectation: Target: Tailor existing Pu, HLW, and/or SNF profiles for internal/external audiences by 09/02.

Expectation: Target: Develop four presentations and proposals on issues where the consideration of risk could improve environmental decision-making by 09/02.

CENTER FOR RISK EXCELLENCE (CRE)

Expectation: Demonstrate the application of risk in stewardship and environmental restoration decision-making, Target: Pantex groundwater contamination, Pu contaminated soils contaminated at various sites, and/or worker health and safety issues due 09/02.

TECHNOLOGY DEVELOPMENT / NATIONAL PEER REVIEW PROGRAM

Goal: Advocate the development, selection, and implementation of science and technology to manage risk and strengthen environmental programs.

Objective:

Enable EM (both corporately and locally) to conduct work more efficiently while maintaining current safe risk levels or reducing them.

Measure: Lead the Chicago Operations Office Technology Development and Deployment Program and the Office of Environmental Management's Science and Technology National Peer Review Program to successful outcomes.

Expectation: Three new technologies in support of EM Focus Areas and site operations will be demonstrated by 09/02.

Expectation: Three new technologies in support of EM Focus Areas and site operations will be deployed by 09/02.

Expectation: Complete fifty technology peer reviews by 09/02.

SPECIAL PROGRAMS TEAM

Goal: Working with NN-60, provide high quality technical and contractual management to support program activities.

Objective:

Provide high quality technical and acquisition support for the design of the MOX Fuel Fabrication Facility, Fuel Qualification Activities, and Reactor Irradiation Services.

Measure: Support success of the MOX project through timely and high quality project management oversight and technical integration of project activities.

Expectation:

- Complete analysis of MA-1 re-planning submission by 11/01; conditionally approve for future monthly status reports; support contracting officer in negotiating contract modifications.
- Complete negotiations and administrative activities to support execution of Option 1 of DCS contract by 07/02.
- Develop and monitor status of project actions by the 15th of each month.
- Ensure that the existing DCS outreach plan is revised and submitted to HQ for approval by 01/02.
- Provide technical management related to fabrication of the MOX fresh fuel package test unit.
- Provide overall technical monitoring oversight related to Eurofab including the following:
 - Complete evaluation of the FS47 package as the preferred option to transport PuOx by 03/02;
 - Start the needed certification activities for the selected packages by 06/02;
 - Start coordination of operational interfaces with the DOE Office of Transportation safeguards by 02/02; and
 - Submit the MOX Fuel Fabrication Facility license application to the NRC by 06/02.

SPECIAL PROGRAMS TEAM

<p>Objective: Provide high quality technical and acquisition support for the design of the PDCF.</p>	<p>Measure: Support success of the PDCF project through timely and high quality project management oversight and technical integration of project activities. Expectation: Complete the baseline change proposal (the \$30M re-baseline) and associated contract modification by 02/02. Achieve the 60% preliminary design milestone for PDCF by 12/01. Achieve the 90% preliminary design milestone and initiate detailed design by 06/02. Design contractor re-establish full project control and reporting requirements in accordance with government standards by 01/02.</p>
<p>Objective: Revise, recommend, and implement changes to NN-60 procedures for project controls, baseline change processes, and approval criteria consistent with DOE order 413.3 and draft DOE manual 413.1-1.</p>	<p>Measure: Facilitate actions related to project controls support through timely and quality decisions regarding baseline changes and project management. Expectation: a) Identify approval levels for changes to baselines; b) Recommend thresholds for approvals for each level to NN-60 for acceptance and implementation, c) Relate approval levels to specific milestones.</p>
<p>Objective: Maintain a viable Contract Selection Board for the Russian work.</p>	<p>Measure: Prepare, revise and maintain the Statement of Work as required by NN-60. Exception: Issue the Statement of Work and initiate procurement action when authorized by NN-60.</p>

CONGRESSIONALLY MANDATED CONSTRUCTION GRANTS

GOAL: Timely award and successful completion of all construction projects directed by Congress and funded through the DOE Office of Science.

<p>Objective: Expedite award of FY2002 Congressionally-mandated construction grants for the Office of Science (SC-1).</p>	<p>Measure: Award all new construction grants identified by SC. Expectation: All grants authorized by SC are awarded by the end of FY2002 (09/30/02).</p>
<p>Objective: Manage all construction grants in a safe and environmentally responsible manner.</p>	<p>Measure: Complete all NEPA compliance activity associated with each project. Expectation: All NEPA reviews successfully completed prior to initial construction activity.</p>
<p>Objective: Provide effective federal oversight of construction grant projects by monitoring project progress through reporting requirements and conducting on-site reviews and walk-throughs.</p>	<p>Measure: Based on funding availability, conduct 20 on-site technical reviews of grant projects. Expectation: Number of site visits (Planned versus Actual).</p>

Crosswalk of PMO Performance Goals

PMO's performance goals directly support goals and priorities identified in the DOE FY2002 Annual Performance Plan, the CH Strategic Plan, and the FY2002 CH Strategic Priorities Plan, as shown in the following table:

PMO Program Area	DOE FY2002 Annual Performance Plan- General Performance Goals	CH Strategic Plan Goals (FY2001-2006)	CH FY2002 Strategic Priorities Plan
PMO Corporate	(Multiple-as listed in the CH FY2002 Strategic Priorities Plan)	SC, CM, CS, SP	CHP-1, CHP-2, CHP-3, CHP-4, CHP-5, CHP-6, CHP-7
Energy Efficiency (EE)	ER2-3	CM, CS, SP	CHP-4
Environmental Management (EM)	EQ1-1, EQ1-2, EQ1-4, CM1-1	SC, CS, SP	CHP-4
Center for Risk Excellence (CRE)	EQ1-1, EQ1-4, EQ2-1, CM1-1, CM4-1	SC, CS, SP	CHP-4, CHP-7
Special Programs (SP)	NS4-6	CM, CS, SP	CHP-3, CHP-4
Construction Grants (CG)		SC, CS	CHP-4

In successfully accomplishing these performance goals, PMO is contributing to the success of the CH organization and the Department. PMO's work is helping to address half of the Department's major management challenges, as outlined in the Annual Performance Plan (namely, challenges in surplus fissile materials, environmental compliance, nuclear waste disposal, safety and health, project management, and energy markets).

Self-Assessment Methodology

CH is currently developing an office-wide self-assessment process. PMO will use the CH-wide self-assessment process to evaluate our specific performance and the extent to which the unit met our goals and objectives.

Awards Plan

An office-wide awards plan is currently under development. The CH awards process will be followed by PMO.