

W M SYMPOSIUM 2004

Mike Hughes

President and General Manager

Bechtel Jacobs Company LLC

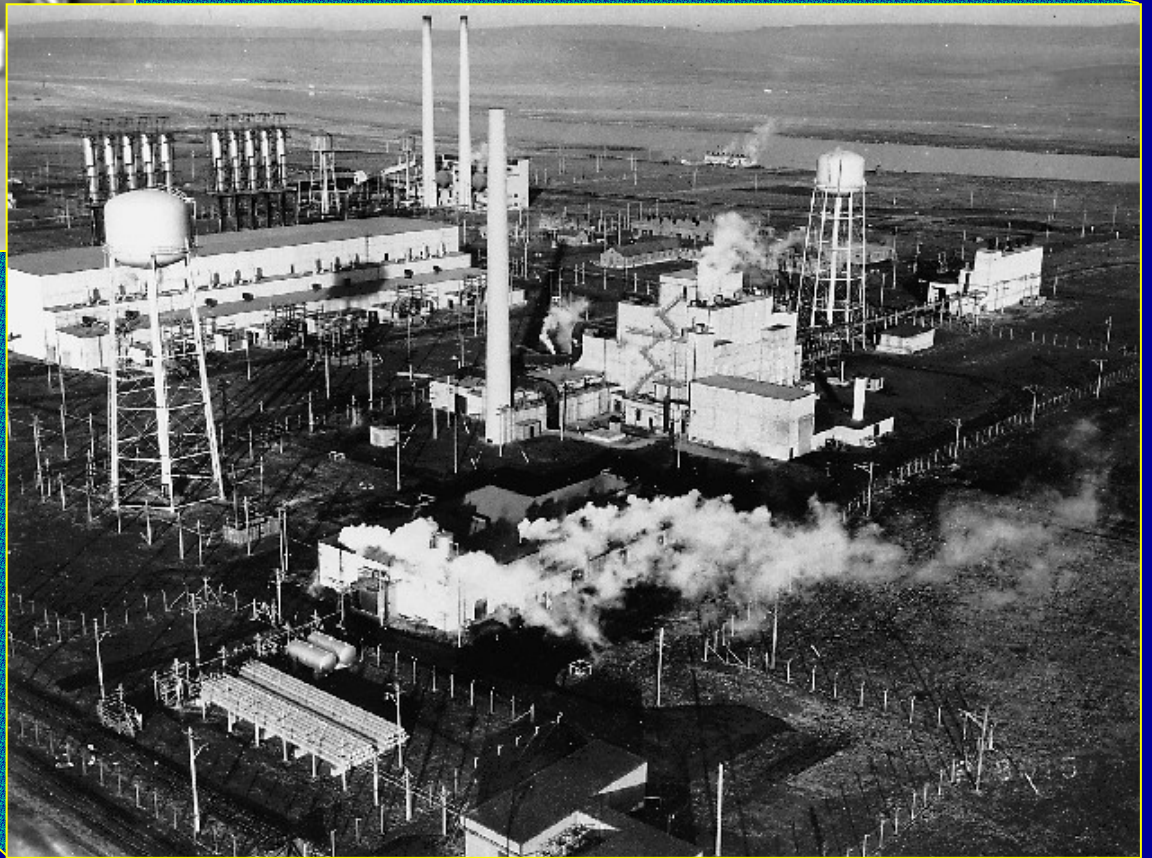
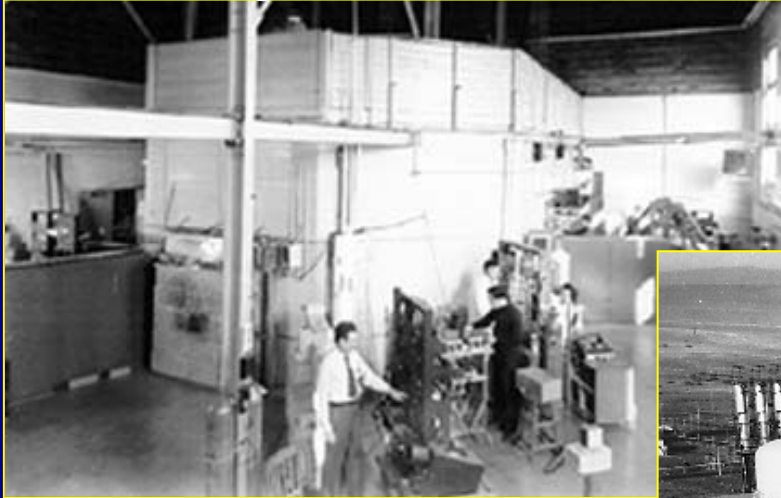
Oak Ridge, Tennessee

**Completion of the EM
Accelerated Cleanup Scope
depends on the ability to take
our recent successes and move
to FULL PRODUCTION NOW!**

**A Sense of Urgency --
Without Panic!**

Huge Challenges on First-of-a-Kind Projects

The Chicago Pile -- **December 1942**



Hanford B-Reactor Complex -- **September 1944**

The Challenge:

Total "To-Go" Scope AND Risk of Individual Subprojects

Environmental Management Top-to-Bottom Review: Implementation Status

Table 1. EM's Short-Term Performance Goals

Performance Measure	Unit	Targets			Completed to Date (Pre-2003 Actuals)	Life-Cycle Scope
		FY03	FY04	FY05		
Pu packaged for long-term disposition	containers	2,836	1,323	165	1,484	5,850
eU packaged for disposition	containers	277	925	669	1,853	9,101
Pu/U residues packaged for disposition	kg bulk	934	254	76	106,519	107,782
DU & U packaged for disposition	MT	1,815			3,100	742,149
Liquid waste eliminated	k-gallons	700	1,300	1,900		88,000
Liqu				9	2	241
HLW				250	1,612	18,735
SNF				0.873	639	2,420
TRU				13,678	7,720	141,314
LLW				107,067	284,206	1,155,360
MAA				1	6	14
Nuc				14	17	523
Radioactive facility completions	facilities	7	45	67	124	804
Industrial facility completions	facilities	49	110	107	510	2,423
Geographic sites eliminated	sites	2		2	75	114
Remediation complete	sites	214	200	283	4,928	10,374

Remediation Sites

Completed to Date

To Go

4,928

10,374

Liquid Waste Tanks

Completed to Date

To Go

2

241

D&D of Facilities

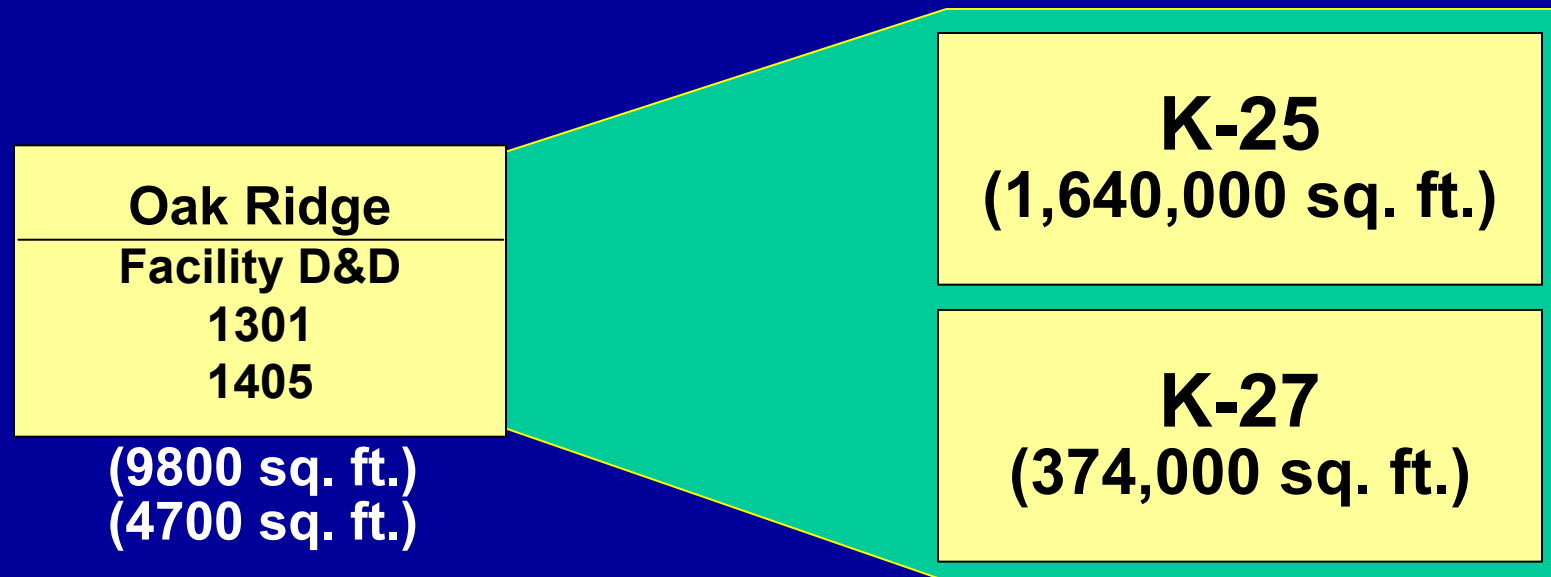
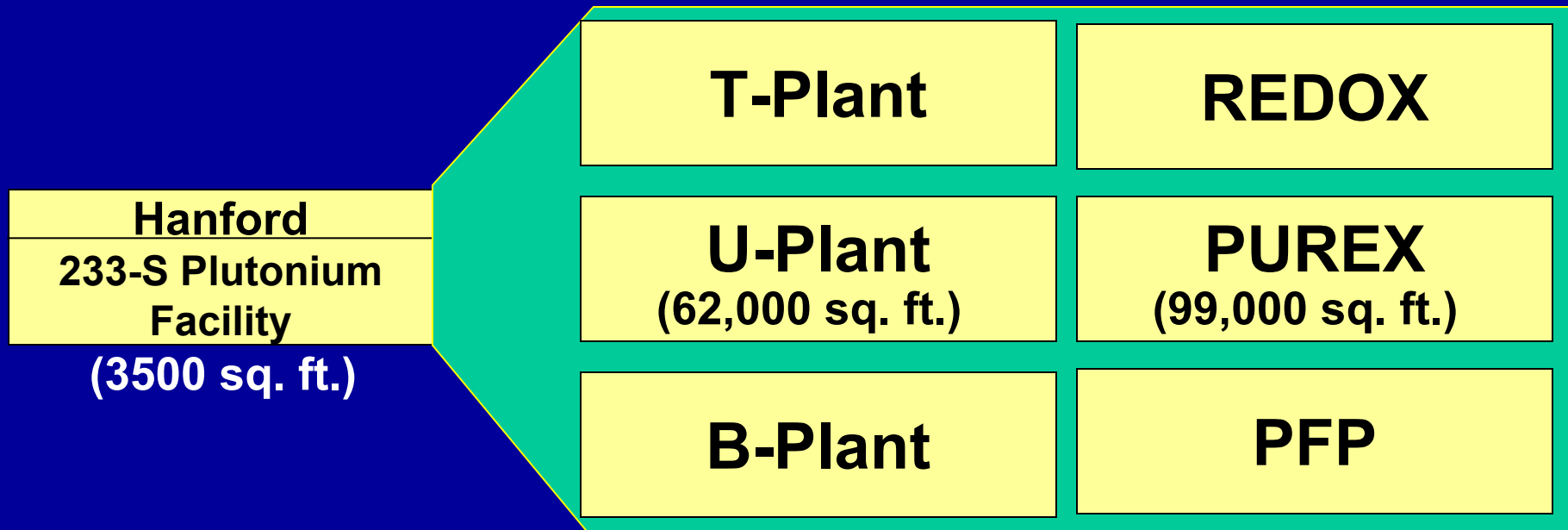
Completed to Date

To Go

651

3,750

Size of Facilities Represents a Challenge in Waste Handling, Packaging, Transport, and Disposal



Oak Ridge



**Building 1301 at East Tennessee
Technology Park (ETTP)**



Building K-25 at ETTP

Project Management Challenges Are Not Unique to Our Industry

- **Clearly defined scope**
- **Solid cost estimate, schedule, and baseline**
- **Well-documented execution strategy**
- **Resources matched to the plan**
- **Agreement between contractor and owner on final product**
- **Doing work safely and in regulatory compliance**
- **Delivering value**



Both DOE and Contractors have taken positive steps to accelerate cleanup

Defining the Challenge

A REVIEW OF THE
ENVIRONMENTAL MANAGEMENT PROGRAM

UNITED STATES DEPARTMENT OF ENERGY

PRESENTED TO THE
ASSISTANT SECRETARY FOR ENVIRONMENTAL MANAGEMENT
by the
TOP-TO-BOTTOM REVIEW TEAM

February 4, 2002

- Focus on major risk reduction
- Change the way we do business
- Reduce internal processes
- Employ D&D for footprint reduction
- Eliminate non-cleanup activities
- Obtain Congressional EM funding support

Stepping Up to the Challenge



- **Completing work that eliminates highest risks first**
- **Focusing resources on most challenging work**
- **Streamlining contracts by eliminating non-value added requirements**
- **Applying best commercial practices**

Stepping Up to the Challenge



- **Responding competitively to DOE's new contracting approach**
- **Accepting more cost and schedule risk for higher potential reward**
- **Reducing number of total injuries across entire complex**
- **Implementing Integrated Safety Management**



Contractor Feedback

What would you do today if you were a senior DOE decision maker?

Actual Contractor Feedback

- **Assess and validate that DOE field offices are implementing the philosophy to manage the contract and not the contractor**
- **Improve the department's relationship with regulators, the states, and stakeholders to work together to effect positive change**
- **Cut additional red tape in DOE regulations and reassign or weed out personnel who are perpetuating outdated work processes, procedures, and regulations**

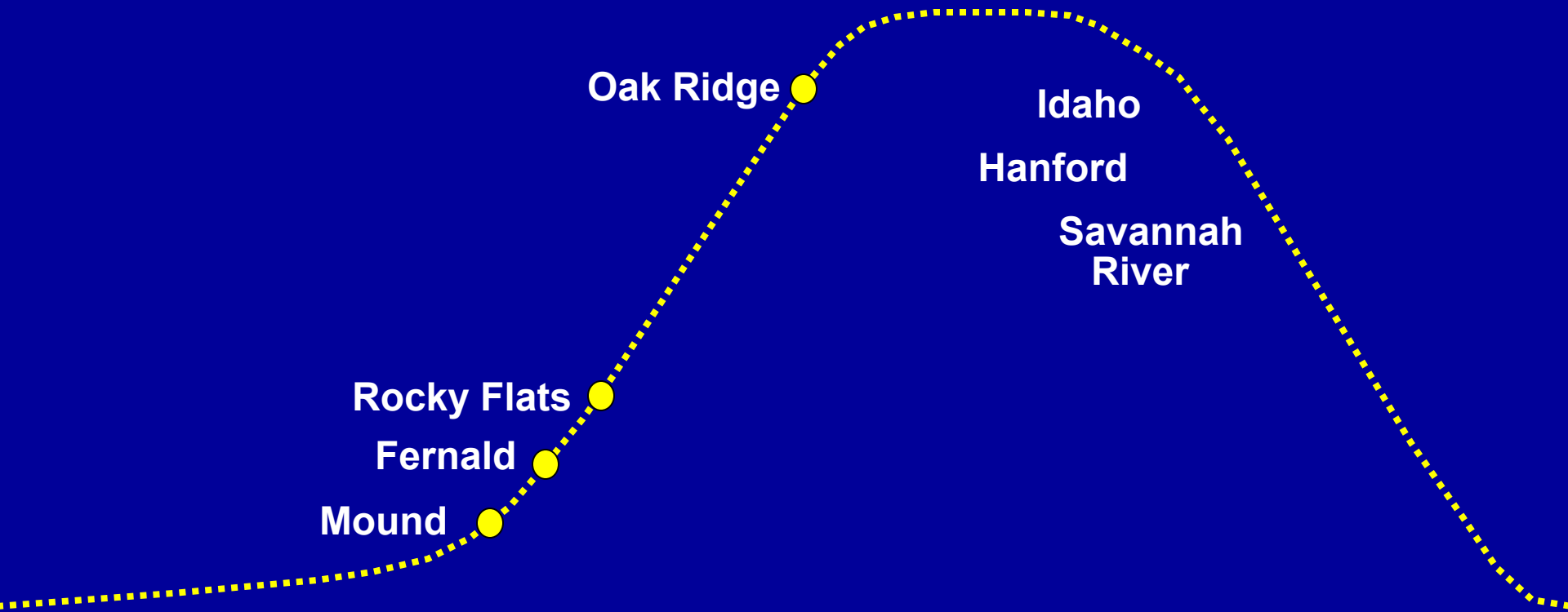
Actual Contractor Feedback

- **Call for more consistency at the various sites on common procedures, processes, and policy so it doesn't have to be reinterpreted**
- **Improve the process to deliver funding as promised and on time**
- **Work together (contractors, DOE, and regulators) to develop risk-based end states that are technically defensible and reduce cost and schedule**



**We share a common goal – to accelerate
and complete the cleanup!**

Accelerated Cleanup -- *The Path Ahead to Full Production*



Ramping Up Requires Deliberate and Bold Actions

- **Leverage our successes and build on the momentum**
- **Think and act commercially**
- **Accelerate starts on multiple fronts ... now!**
- **Keep waste 'pipelines' open**
- **Work with regulators and stakeholders to clearly define end states**
- **Work injury free**
- **Recognize success and celebrate completions**

M I S S I O N :

ACCOMPLISHED