

East Tennessee Technology Park Partnering for Success

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ETTP Project Overview

- Cost plus Award Fee (CPAF) FAR-based Contract with total value of \$2.24B
- Initial period of performance is 8/1/11 – 7/31/16
 - 4 Contract Line Items (CLINS) authorized
- 4 additional option CLINS may extend period of performance through 7/31/20
- Maximum available fee of \$134M (Performance Based Incentive (PBI) and Award Fee)
- URS | CH2M HILL Oak Ridge LLC (UCOR) assumed management responsibilities on August 1, 2011



Contract Scope of Work

Decontamination & Demolition (D&D) of the major facilities at the East Tennessee Technology Park (ETTP) including K-25, K-27, K-1037, K-31; remediate associated waste sites; and continue EM operation, surveillance and maintenance activities currently ongoing at ORNL and Y-12.



East Tennessee Technology Park

UCOR's Approach to Cleanup and Reindustrialization

- Apply successful and proven D&D methods
 - Streamline regulatory documentation
 - Right-size authorization basis
 - Maximize onsite waste disposal
 - Integrate waste specialists with D&D Project
- Dispose of D&D and remediation waste as it is generated – no double handling or interim storage
- Aggressively pursue costs savings through innovation and streamlining
- Proactively partner with stakeholders to support safe, cost effective cleanup and reindustrialization
 - Integral part of cleanup, paving the way to reuse/reindustrialization



Partnering with Stakeholders

- Taking partnering to the next level
 - More expansive partnering approach extending to all with a stake in cleanup and reindustrialization
 - Breaking new ground with DOE ORO
- Proactive UCOR engagement with all ETTP stakeholders
 - Corporate Parents – URS and CH2M HILL
 - Our Client – DOE
 - Our Subcontractors
 - The Regulators
 - The Community
 - The Oak Ridge Reservation
 - Our Workforce

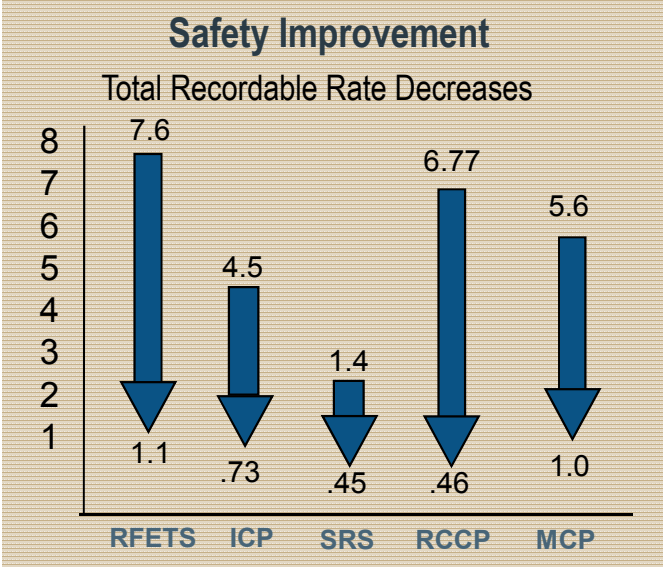
Corporate Partnering – URS and CH2M HILL

- **Demonstrated, synergistic relationship**
 - Currently partnering at River Corridor, Idaho Cleanup Project, Savannah River Remediation, and Dounreay
 - Combines the resources and specialized expertise needed to meet the technical challenges of ETTP
 - complementary skills
 - demonstrated capabilities
 - proven management talent
- **Identify the best talent among the two companies to get the job done safely and efficiently**
- **Identify the best proven processes to accomplish the work**

Results - Corporate Partnering



Rocky Flats Environmental Technology Site



River Corridor Closure Project



Savannah River Site

Facilities D&D'd	1,439 +
Sites Remediated	100's
Lifecycle Cost Savings	\$42B +



Idaho Cleanup Project



MOVING TO THE FUTURE BY CLEANING UP THE PAST

Closure Project

Client Partnering – UCOR and DOE

- **Partnering Framework**

- Consensus for ETTP cleanup and reindustrialization
- Reduces paperwork
- Encourages open communication
- Provides an environment that enables collaborative problem-solving
- Signed July 30, 2011 by DOE ORO and UCOR



DOE and UCOR sign Partnering Framework

- **Partnering Workshop**

- First workshop held with 28 senior DOE and UCOR managers on November 18, 2011
- Focused on organizational cultures and areas to work on that will improve the partnership
- Partnering Agreement signed by all senior managers in attendance

Results – Partnering with Client (DOE)

- K-25 non-Tc99 demolition well ahead of schedule, 31% further than planned
 - 8.1 units demolished (40% of 18 units complete)
 - 6.7 units size reduced (37% of 18 units complete)
 - 6.5 units of comingled debris hauled (36% of 18 units complete)
 - Over 30,000 cubic yards of waste shipped



Results – Partnering with Client (DOE)

- Tank W-1A readiness reviews completed and excavation commenced within weeks of takeover, months ahead of FFA milestone
- Boxes of radiological-contaminated soil shipped to NNSA total 171 to date



Tank W-1A removed January 6, 2012

Partnering – UCOR and Subcontractors

- Small Business Program – Mentor and educate subcontractor community on how to do business with UCOR, promote supplier development
- Encourage teaming arrangements between large and small companies, explaining the benefit
- Ensure subcontractors are made aware of subcontracting opportunities through UCOR's 90-day forecast
- Actively participate in local, regional, and national events, forums and trade shows for new subcontractors
- Work closely with UCOR Mentor-Protégés to provide training, guidance and prepare them for more subcontracting opportunities

Results - Partnering with Subcontractors

- Engagement of RSI (UCOR preferred subcontractor) key personnel as UCOR Remedial Action and Regulatory Support Manager
- Two UCOR Mentor Protégé agreements approved by DOE
- Socio-Economic results above target



RSI performing K-1065 tote sampling

Partnering – UCOR and Regulators

- Restructured regulatory interface initiative to enhance collaboration and maximize cleanup efforts in a budget challenged environment
 - Three management levels with developed charters and organizational approaches
- Implemented a streamlined enforceable milestone approach
 - Focus on critical path project milestones, terminal enforceable milestones, close collaboration with regulators
- Support DOE at Supervisory Team Meeting
 - Streamlined enforceable milestones for the demolition of K-25
 - Greater partnering with regulators in meeting project goals
- Developed a logic-based strategy allowing DOE and the regulators to
 - Reprioritize treatability study
 - Accelerate high risk building demolition and soil remediation projects

Results – Partnering with Regulators

- **WAC Attainment**
 - Approved 14 UCOR EMWMF profiles for K-25 allowing D&D to accelerate
 - Approved 3 profiles to support other Oak Ridge Reservation projects
 - Mapped Waste Acceptance Criteria (WAC) Attainment process



Representatives from DOE, TDEC, EPA, and UCOR gathered to sign waste profiles

Results – Partnering with Regulators

- Receipt of K-25 D&D waste at onsite waste disposal facility (EMWMF) as it is generated
- Receipt of 146 average loads per day at EMWMF



K-25 Converters shipped directly to EMWMF

Partnering – UCOR and the Community

- **Reindustrialization and Revitalization**
 - Partnering agreement signed by UCOR, DOE Oak Ridge Office, and the Community Reuse Organization of East Tennessee (CROET)
 - Establishes goals and measurable performance criteria to enhance reindustrialization and development efforts at ETTP Heritage Center
 - A major component is an effort to attract alternative energy companies to the Heritage Center



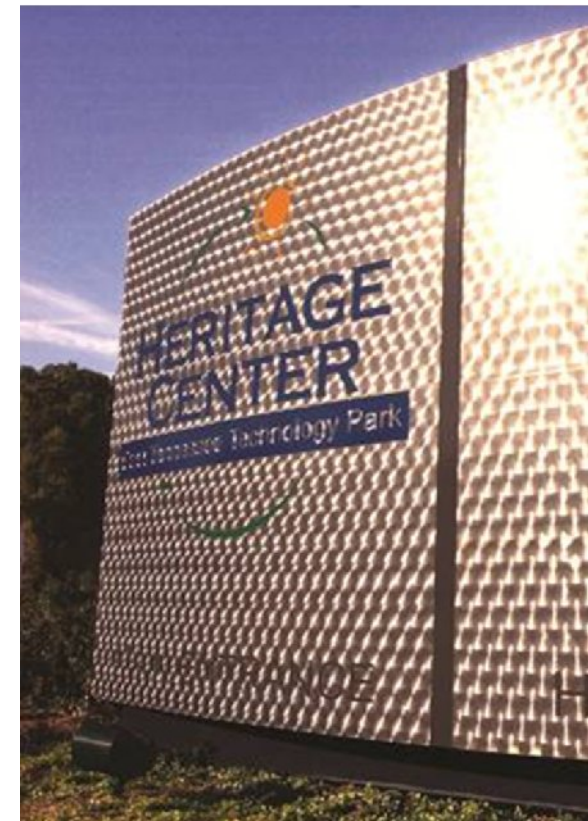
CROET, DOE ORO, and UCOR signing the partnering agreement

Partnering – UCOR and the Community (cont.)

- **Economic Development Partnerships**
 - UCOR actively participating with the following organizations
 - East Tennessee Economic Council
 - Oak Ridge Chamber of Commerce
 - Roane Alliance
 - Tennessee Valley Corridor
 - Strategizing monthly with DOE, CROET and the City of Oak Ridge Industrial Development Board to support efforts to attract new business to the ETTP
 - Coordinating with ORNL UT-Battelle’s partnerships to assist new businesses looking to establish themselves in Oak Ridge
 - Technology transfer
 - Equipment transfer
 - Workforce training

Results – Partnering with the Community

- Transfer of ED-10 (13-acre parcel) from DOE to CROET - Congressional approval received August 31, 2011
- Lease of Powerhouse area (282 acres) to CROET for industrial development
- Completion of the “Brownfields to Brightfields” Solar Array located at the west entrance of ETTP



Partnering – UCOR and the Oak Ridge Reservation

- Actively engaged with Oak Ridge National Lab (ORNL) and the Y-12 National Security Complex (Y-12)
 - Y-12 Surveillance and Maintenance
 - ORNL Liquid Low Level Waste Operations
 - ORNL Gaseous Waste Operations
 - ORNL Process Waste Operations
 - ORNL Surveillance and Maintenance
- Partnering to identify opportunities for improved safety and efficiencies
 - Legacy Waste Clean-up
 - MSRE HEPA Filter Change
 - Project Wipeout
 - MSRE Roof Repair



Results – Partnering with the ORR

- ORNL First Street contamination cleanup work
- ORNL Core Hole 8 wells operational



Partnering – UCOR and Workforce

- **Workforce Incentive Plan**
 - Funded through identified cost savings
 - Vehicle for timely monetary recognition of employee innovations
- **Savings Scorecards**
 - UCOR savings of ~ \$31M identified by workforce to date
 - Examples include innovative waste management approach and characterization consolidation
- **Integrated Priority List/Buy-Back List Process**
 - Document and demonstrate savings with resultant benefit to the client
 - Authorize and fund scope acceleration and emerging work scope

Results – Partnering with the Workforce

- Enabled \$1.5M in additional cleanup work at ETTP and ORNL
 - Project “Wipeout” – clearing efforts allow for identification of hazards in support of D&D efforts site wide
 - Legacy Waste Disposal at ORNL – hazard removal for safer surveillance and maintenance

Before ...



Before ...



After ...



After ...



Summary

- Taking partnering to the next level
 - More expansive partnering approach extending to all with a stake in cleanup and reindustrialization
- Key to achieving ETTP Cleanup and Reindustrialization success
- Early in the project, partnering is paying big dividends!

