



Dounreay

Transition & Consolidation Phase Implementation to achieve the Interim End State at the Dounreay Site

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Dounreay, Scotland

What's This All About ?



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- One Year Journey – Bid Submission to Contract Delivery
- Phases of the Journey Specific to NDA Programme
- Impact & Significance of Transition
- Consolidating a Bid into a Delivery Programme
- Challenges Experienced
- Future

Let's Get This Party Started !



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On Friday November 23, 2011 Babcock Dounreay Partnership (BDP) was announced by the Nuclear Decommissioning Agency (NDA) as the preferred bidder in the competition to take ownership of Dounreay Site Restoration Limited (DSRL)

Tel: 01847 802121

www.dounreay.com



So What Happens Next ?

Roger Hardy, Babcock's Managing Director Nuclear, expressed his delight at the news: "Being selected as preferred bidder is a fantastic achievement. BDP brings together outstanding international decommissioning and site management expertise and we look forward to working with DSRL to complete the closure programme safely and cost effectively."



Out With The Old In With The New ?



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**800 On-Site Staff; 200 Embedded Support;
1,000 Suppliers; 100 Live Contracts;
50 Resource Skill Types**

***Transition &
Consolidation Phases***

**Critical to Local
Socio-economics**

**Sixty Years of Knowledge
& Experience**

**Dounreay
Site**



Hold On Wait A Minute



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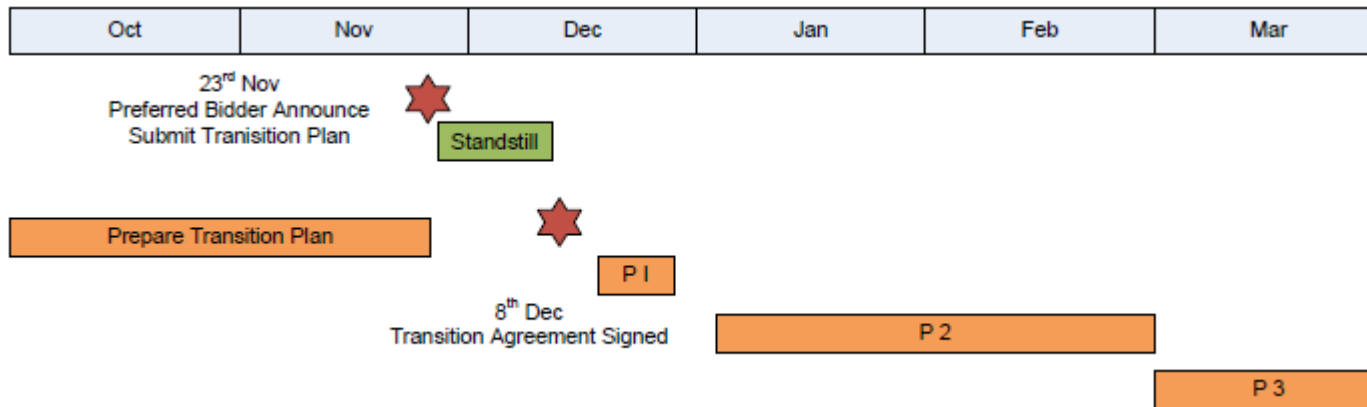
I Hear You Knocking But You Can't Come In



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Transition Objectives:

- Deliver transition communication plan
- Prepare management of change requirements including required training
- Due diligence: review of BDP plans against current site status & performance
- Identify material differences and agree review/approval process
- Start / stop work activities in line with BDP plans
- Organisation and cultural information gathering
- Agreement of 1st Year Performance Based Fee Milestones



Expect the Unexpected



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Challenges:

- Site workforce frustration:
 - Expectation of greater detailed interaction on BDP plans
 - Couldn't understand the reasons for stopping and starting work
 - Didn't have clear visibility of new BDP management structure
 - Material differences were viewed as criticism of site practices
- DSRL, NDA and BDP had differing approaches to achieving the objectives
- Significantly more material differences than envisaged
- Preparation for consolidation phase was an increasing challenge



Build Workforce Trust
Communicate & Integrate Plans
Agree Material Differences

Sign On The Dotted Line



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*Target Fee with Incentive Fee Contract
Fee is Earned based upon Milestones (Lifetime)
Shareline gives Opportunity for Further Fee and Losses*



*Contract basis is NDA client specification
Annual Site Funding Limit circa £150M per year*



*Manage the site to the interim end state
Buildings gone and land remediated such that the site can be delicensed in 2333
ILW storage until 2040 or 2060 with provision that it could go to 2100
Fuels storage until 2076*



Where Are We Up To ?



Consolidate This !

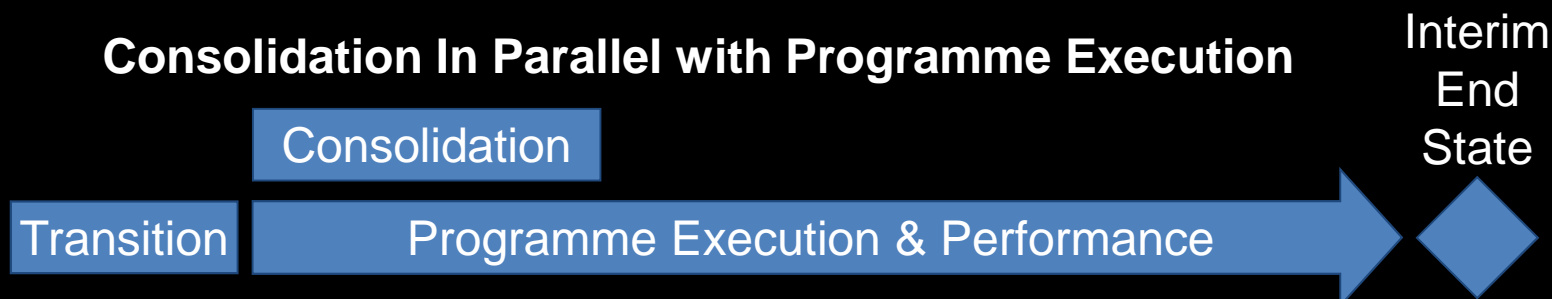


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Consolidation Objectives:

- Update performance plan with material difference and directed changes
- Ensure compliance with NDA management procedures
- Empower project organisations
- Right size the organisation
- Initiate re-skilling and resource forecasting
- Implement socioeconomic support

Consolidation In Parallel with Programme Execution



Who's Who



Dounreay

Change Director
Alastair MacDonald
Babcock



Deputy Managing Director
Dyan Foss
CHIIM Hill



Managing Director
Roger Hardy
Babcock



Project Director Technical
Malcolm Smith
Babcock




Director of Assurance
Alan Scullion
DSRL




MANAGEMENT TEAM

Project Director Waste
Charlie McVay
URS



Project Director Fuels
William Epling
URS



Project Director Fuel Cycle Area
Steve Beckitt
DSRL



Project Director Reactors
Jason Casper
CHIIM Hill



Project Director Shaft & Silo
Bo Wier
CHIIM Hill



Plan on a Page



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Who, What, When, Where, Why



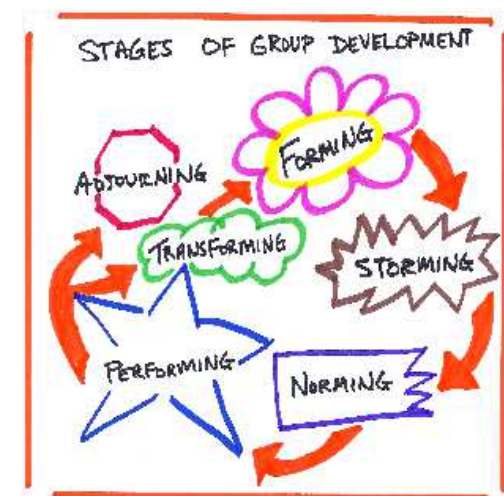
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Challenges:

- Rapidly communicate the plan and technical strategies – ‘The Big Bang’
- Establish governance – internal and external
- Quantify and agree material differences
- Undertake resource profiling
- Identify gaps and omissions – what did we get wrong
- Consolidate DSRL management structures ensuring compliance to contract
- Engage stakeholders, regulators and workforce – technology assumptions
- Work together as a team – cultural and experience



Build Workforce Trust
Communicate & Integrate Plans
Agree Material Differences



Where Do We Go From Here



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Transition & Consolidation Completed:

- Challenging time – key lessons learnt for the future
- Trust & engagement with stakeholders, regulators and workforce improved
- BDP original plans evolved and developed to an improved delivery position

Future:

- Focus on delivery – realise solutions within time and budget constraints
- Resource profiling to support delivery
- Ensure the make versus buy strategies are delivering efficiencies
- Engage with the workforce, NDA and Regulators to build trust and support



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