Environmental Management Operational Overview

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2016 Lifecycle Cost Estimate For Los Alamos National Laboratory’s Environmental Legacy Cleanup Responsibilities

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Communicate the vision for the future of the EM-LA and provide direction to accomplish current and future missions.

Emphasis is on defining the scope of work, resources, project management structure and funding required to accomplish EM-LA missions at LANL.

Emphasis is on the identification and execution of tasks and activities that support Operational and Strategic Plans.
EM Planning Outputs

Strategic
- Strategic Plan
- EM Lifecycle Estimate
- Ten Year Site Plan

Operational
- EM Cleanup System Plans

Tactical
- Budget Formulation Plans
  - IPL, E300, PDS
- Project Execution Plans
Budget Cycles

Outyear Planning

OMB Passback

Program Budget Development

Release Presidents Budget

Congressional Budget Resolution

Authorizing Committees

Agency Budget Development

Agency Budget Submission

President Signs

Conference and Enactment

Appropriations Committees

Appropriations

July

January

March

April

May

June

November

December

October
An Integrated Plan Describing the Remaining Legacy Cleanup

The Four Estimate Components
[“Pillars to Framing a Project”]

- Cost
- Schedule
- Risk
- Scope

Project Summaries:
- Solid Waste Stabilization & Disposition (PBS-0013)
- Soil & Groundwater Remediation (PBS-0030) Includes: Decommission & Demolition (PBS-0040)
Lifecycle Baseline – Built on Assumptions

- Efficient Transition to New EM Contract in 2018
  - Reduced Indirect/Overhead Rates
  - Projected Efficiency Rate of 15% - 20% over the life of the estimate
    - Process Improvements/Technology Development
- Aligned to 2016 Consent Order
- Soil & Groundwater Remedies Identified
- Efficient and Effective Processes/Systems (Regulatory Framework)
- Currently Identified Scope
Executive Summary

2016 LCC Cost and Schedule Estimate

- Extended Completion Schedule from Fiscal Year 2015 to Estimated Fiscal Year 2035-2040
  - Additional 5-Year Schedule Contingency

- Cost Estimate of Current Scope $2.9B-$3.8B (To Go)
  [NOTE: Actual cost of $3.2B through Fiscal Year 2015]
Key Drivers

- Additional Scope
  - Chromium Contamination

- WIPP Shutdown

- Prior Regulatory Framework
  - Investigation Focused
  - Prescriptive Sampling & Analytical Methods

- Northern New Mexico Wildfires & Monsoon Rains
  - Schedule Delays/Re-work

Angled Drilling at Chromium Project
Annual Planning Process

- Appendix B of the Revised Consent Order identifies a Three-Year Period with associated Milestones & Targets.

- To the extent possible, DOE will update the Milestones and Targets annually and provide a forecast indicating potential, proposed changes to Appendix B by the end of July of each year.

- Within 15 business days of receiving the first appropriations, the Designated Agency Managers will meet to discuss any revisions to the forecast.

- Within 30 business days after receiving its appropriations, DOE will provide a revision to Appendix B.

- Within 15 days of NMED’s receipt of DOE’s proposed revision, NMED will review and accept or meet with DOE within 10 business days to resolve NMED’s concerns.

- Upon resolving Appendix B, NMED will post Appendix to their Website and will schedule a public meeting to present any changes to Appendix B.
The Lifecycle Cost Estimate Is a Strategic Planning Tool that Provides a “Roadmap” to Achieving a Restored Environment

External Interactions, Technologies, New Ideas, Regulatory Changes, etc., Will Continue to Shape the Lifecycle Cost Estimate

Safe, Efficient and Transparent Execution