



**Department of Energy**  
Savannah River Operations Office  
P.O. Box A  
Aiken, South Carolina 29802

NOV 24 2009

Mr. Manuel Bettencourt, Chairperson  
Savannah River Site Citizens Advisory Board  
47 Hickory Forest Drive  
Hilton Head, South Carolina 29929

Dear Mr. Bettencourt:

SUBJECT: Savannah River Site (SRS) Citizens Advisory Board (CAB) Recommendation #267 Speed-up Stimulus Budget "Burn Rate" (Your letter, 9/29/2009)

The Department of Energy Savannah River Operations Office (DOE-SR) is pleased to receive the referenced recommendation concerning the SRS Stimulus Budget "Burn Rate". Responses to each Recommendation are provided. Enclosures 2 and 3 are provided for your information. They are presentations by Mr. Rodrigo Rimando, Deputy Director, Savannah River Recovery Act Program on November 6, 2009, at a meeting for the South Carolina Governor's Nuclear Advisory Council. Ms. Madeleine Marshall and Ms. Judith Greene-McLeod of the Strategic and Legacy Management Committee were in attendance at the meeting.

Recommendations:

1. Explain and justify deviations from the DOE-SRS American Recovery and Reinvestment Act (ARRA) spending plan; in addition to written explanations, please display this information graphically. Present this information at every future full CAB meeting through the end of Fiscal Year (FY) 2011.

Response: The ARRA spending plan represented an even spread of funds over the initial ARRA planning period from April through September 2009. It did not represent how the work would be executed or even costed. As work planning progressed and some early work initiated, it became apparent that executed funds did not match the linear spend plan, nor was it expected. As such, it appeared that DOE-SR and its contractor were under-spending. Even with the immediate need to save and create jobs, the rate at which ARRA funds was expended was appropriate and not wasteful. As the overall ARRA work plan is finalized, a spend profile consistent with the budgeted cost of work scheduled to be performed will be developed. A graphical representation of cost performance will then be provided. DOE-SR will provide updated information at future CAB and Committee meetings as requested.

2. Compare the percentage of stimulus funds obligated to the percentage of ARRA period of performance elapsed. Present this information at every future full CAB meeting through the end of FY 2011.

Response: In addition to providing cost performance, comparisons with the total ARRA appropriations will be provided. DOE-SR will provide updated information at future CAB and Committee meetings as requested.

NOV 24 2009

3. Provide the "lessons learned" from operational problems that have affected the ARRA "burn rate" along with the plans to bring ARRA back on track at SRS.

Response: Enclosure 1 lists operational lessons learned. Although of minimal impact, these activities contributed to the early slow-down of work and under-spending of ARRA funds. These steps were necessary to maintain a level of operational safety awareness and control.

4. At each future CAB meeting, report on operational efficiencies achieved by Savannah River Remediation, LLC (SRR) and any dollars saved to date.

Response: DOE-SR will report on SRR's implementation of operational efficiencies and their associated cost savings/avoidances, as data becomes available, at each future full CAB meeting.

5. Devise and report by January 2010, on a strategy to address the possible shortfall in the budget to keep the Tank 48 Treatment Project fully funded.

Response: DOE-SR is committed to the timely recovery of Tank 48 for general tank farm service. The strategy to maintain progress towards this goal and the status of the Tank 48 Treatment Project will be reported to the CAB by January 2010.

6. Keep the CAB informed about the results of the ARRA investigation by the DOE Office of Inspector General (OIG) consistent with DOE regulations.

Response: As a point of clarification, the DOE-OIG is conducting an inquiry, not an investigation, based on two anonymous e-mail messages received at its office. The DOE-OIG will make a determination on the public releasability of the outcome of its inquiry at DOE-SR after the OIG inquiry has been concluded.

If you have any questions, please contact me or Dr. Vincent Adams at (803) 952-8271.

Sincerely,



Jeffrey M. Allison  
Manager

ARRA-10-001

3 Enclosures:

1. Savannah River Recovery Act  
Program Operational Lessons Learned
2. Environmental Management Recovery  
Act Program presentation (CD)
3. Savannah River Recovery Act  
Program presentation (CD)

## Enclosure 1

### Savannah River Recovery Act Program Operational Lessons Learned

<b>Lessons Learned Observations</b>	<b>Lessons Applied</b>
Material handling of light loads via fork lifts	Evaluated operating procedures for forklift load activities, and instituting tie-down requirements
Vendor requirements on the proper installation of a line tap were not sufficiently integrated into work control documents. This contributed to the release of and exposure to nitric acid while deactivating a line in F A-Line.	Specific instructions and/or training are needed when vendor requirements are important, and simply incorporating a reference into work package will not ensure correct installation.
Material compatibility reviews were less than adequate, and contributed to the release of nitric acid while deactivating a line in F A-Line.	Routinely utilized equipment should be checked for material compatibility in a non-routine application. Engineering involvement should be assumed to be required unless deliberately excluded based on process knowledge.
A recent non-ARRA arc flash incident at SRS provided the lessons learned that work control documentation and pre-job briefs need to be comprehensive and understandable to the employees	This lesson is being applied through detailed work package reviews and increased management field walkdowns.