

EM Project Management Workshop

February 14-15, 2001

Las Vegas, Nevada



Breakout Session A-II

**Proposed Identification and
Requirements for
Non-Capital Asset Projects**

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Session A-II Outline

- **Overview of Non-CAP Project Management**
- **What is Non-Capital Asset Project?**
- **Assumptions / Expectations**
- **Proposal: Element of Control for Non-CAPs**
- **ORO Approach: Management Review Hierarchy**

Overview of Non-CAP Project Management

- **Ensure management rigor applied to all projects**
- **Consideration of key elements of DOE Order 413.3**
 - Acquisition process
 - Project execution plans
 - Performance review / reporting
 - Critical decisions
 - Configuration control
- **Maximize use of existing project management systems**

What is Non-Capital Asset Project?

Capital Asset Project (CAP) --

A project which meets the OECM definitions for “capital asset” and “project” (i.e., is subject to the requirements of DOE Order 413.3), has clearly defined mission and end point and is executable as a single entity. A CAP is design and construct in nature, to include analogous D&D and environmental remediation activities such as remedial design and excavation work. A CAP is often associated with continuing PBS activities which are not included in OECM reporting (e.g., operations and long-term monitoring).

Non-Capital Asset Project --

Projects identified within a site work breakdown structure at the same level as Capital Asset Projects, but NOT classified as a Capital Asset Project.

Assumptions

- **All EM work is packaged with clearly defined scope, schedule, and estimate (i.e., projectized)**
- **DOE and contractor project managers are experienced, qualified professionals**
- **DOE and contractor management are involved in project review and approval**

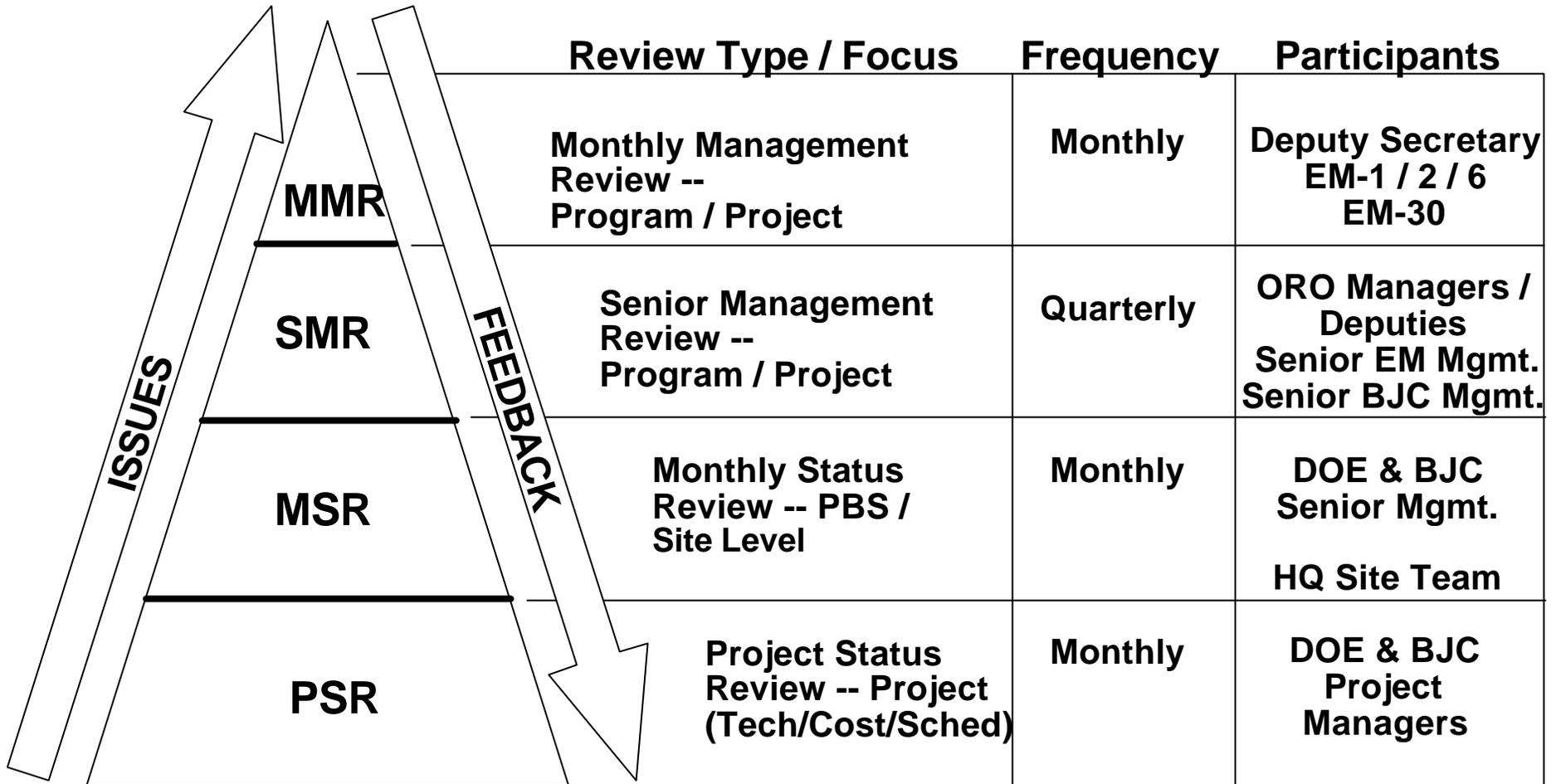
Expectations for All Projects

- **Clearly defined roles and responsibilities**
- **Configuration control for project scope, schedule, and estimate**
- **Project management systems to report and control project cost and schedule**
- **Pre-project planning (e.g., Acquisition Plan and Project Management Plan)**
- **Clear project scope definition**
- **Assess and identify contingency based on project risk**
- **Cost estimating and scheduling tools**
- **Performance-based incentives**
- **Performance measurement and reporting**

Proposal: Element of Control for Non-CAPs

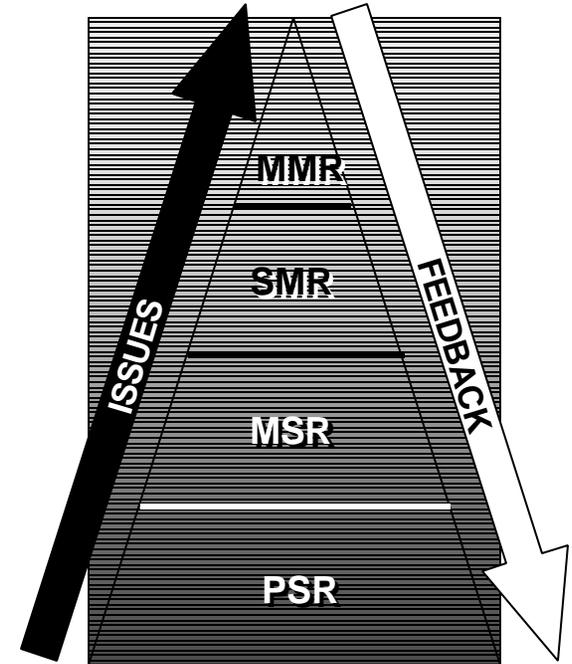
- **Utilize or enhance existing program / project review and approval processes for reviewing “significant” non-CAPs**
- **Element of control for non-CAPs based upon “significance” established between Site Office and HQ Site Team**
- **Non-CAP significance based on:**
 - **Priority (e.g., critical path)**
 - **Human health, ecological and project risk**
 - **Safety**
 - **Public interest**
 - **Technical complexity**
 - **Political sensitivity**
 - **Multiple site interfaces**
 - **Costs**

ORO Approach: Management Review Hierarchy



ORO Approach: Management Review Hierarchy (Cont.)

- Number of projects in ORO LCB: 255 (67 CAPs and 188 Non-CAPs)
- 156 Non-CAPs funded for FY 2001
- All active projects (CAPs and Non-CAPs) subject to PSR
- Significant Non-CAPs subject to management review above PSR:
 - TSCA Incinerator Operations (multiple site interfaces)
 - Paducah Surface Water Cleanup / Drum Mountain (public interest)
 - MSRE Reactive Gas Removal (safety, technical complexity)



Path Forward

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|--|--------------------|
| 1. Draft Identification / Criteria for Non-CAPs | February 15 |
| 2. Circulate Draft Guidance on Criteria / Management Requirements | April 2 |
| 3. Initial Lists of Non-CAPs | April 27 |
| 4. Propose Initial Management Requirements for Non-CAPs | April 27 |
| 5. Draft Final List of Non-CAPs | May 25 |
| 6. Proposed Draft Final Management Requirements for Non-CAPs | May 25 |
| 7. Final List of Non-CAPs / Final Management Requirements | June 29 |

Method of Accomplishment -- IPABS