



Department of Energy
National Nuclear Security Administration
Washington, DC 20585



February 27, 2015

MEMORANDUM FOR THE ADMINISTRATOR

FROM:

for *AT Callos*
DONALD L. COOK
DEPUTY ADMINISTRATOR
FOR DEFENSE PROGRAMS

SUBJECT:

ACTION: Delegation of Project Management Executive Functions for the TA-55 Reinvestment Project (TRP), Phase III, at the Los Alamos National Laboratory (LANL)

ISSUE: Whether to delegate Critical Decision and Project Management Executive functions to the Deputy Administrator for Defense Programs.

BACKGROUND: The mission need for the TRP is driven by the fact that the Plutonium Facility (PF)-4 is the only NNSA facility authorized to produce plutonium pits for the enduring stockpile. The PF-4 is a Hazard Category 2 nuclear facility and its critical safety systems must be continually maintained or replaced to comply with the facility safety basis documents mandated by Title 10, Code of Federal Regulations 830, Nuclear Safety Management.

In March 2005, the Deputy Administrator for Defense Programs approved the mission for the TRP as one project that included upgrading 20 critical items. Due to budget constraints at the time, the scope was split into three separate projects. TRP-I was successfully completed in June 2010; TRP- II was split into three phases to align the scope with the annual funding availability; Phase A and B were successfully completed in Fiscal Year (FY) 2012, and construction of Phase C started in 4Q FY 2014. Consistent with Department of Energy Order 413.3B "Program and Project Management for the Acquisition of Capital Assets," (O413.3B) the Acquisition Executive functions for TRP I and TRP II were delegated to the site office manager.

TRP III will upgrade critical safety systems within PF-4 that were not upgraded as part of TRP I and TRP II and will implement Defense Nuclear Facilities Safety Board Recommendations 2009-2, "Los Alamos National Laboratory Plutonium Facility Seismic Safety." These TRP III upgrades will bring PF-4 into compliance with safety and regulatory requirements in the areas of fire protection/distribution systems and confinement ventilation.



The Total Project Costs (TPC) for TRP III is anticipated to be higher than \$100 million but less than \$750 million. DOE Order 413.3B allows for the delegation of capital asset projects with TPC less than \$750 million to the Deputy Administrators. If the top end of the cost range is identified as being over \$400 million during CD-0, the Administrator will make a determination, at that time, if future Critical Decision approvals will remain with Defense Programs.

Recommendation: Delegate approval of Critical Decisions and Project Management Executive functions to the Deputy Administrator for Defense Programs.

Approved: JK 3/30/2015 Disapproved: _____ Date: _____

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