

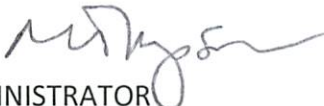


Department of Energy
Under Secretary for Nuclear Security
Administrator, National Nuclear Security Administration
Washington, DC 20585



October 7, 2016

MEMORANDUM FOR PHILIP T. CALBOS
ACTING DEPUTY ADMINISTRATOR
FOR DEFENSE PROGRAMS

FROM: MICHAEL A. THOMPSON 
ASSISTANT DEPUTY ADMINISTRATOR
FOR MAJOR MODERNIZATION PROGRAMS

SUBJECT: ACTION: Low Level Waste Facility and Transuranic Liquid Waste Facility
Projects at the Los Alamos National Laboratory

ISSUE: Whether to delegate the Project Management Executive functions for the subject projects to the Assistant Deputy Administrator for Major Modernization Programs.

BACKGROUND: On December 1, 2010, the National Nuclear Security Administration (NNSA) Administrator, Mr. Thomas D'Agostino, delegated the Acquisition Executive (now called Project Management Executive) functions for the Radioactive Liquid Waste Treatment Facility Upgrade Project to the Deputy Administrator for Defense Programs. Table 1 of the Department of Energy (DOE) Order 413.3B, "Program and Project Management for the Acquisition of Capital Assets," allows further delegation.

At the time that Mr. D'Agostino approved the delegation, the subject projects were two subprojects under the Congressional Control Line Item No. 07-D-220. However, the Fiscal Year (FY) 2014 Omnibus Appropriation created a separate line item for the Transuranic Liquid Waste Facility Project with its own budget and schedule.

Both the Low Level Waste and the Transuranic Liquid Waste Facility Projects are planned to replace the existing Radioactive Liquid Waste Treatment Facility that is beyond its design and economic life. Most of the liquid wastes being treated at the existing facility, which will be treated at the two new facilities when completed, are generated at the Plutonium Facility (PF)-4.


The Total Project Cost for each project is less than \$100 million. The Low Level Waste Facility Project has an approved baseline with the Total Project Cost of approximately \$83 million and is in construction. The Transuranic Liquid Waste Facility Project is in design, which is expected to be completed in 1st Quarter of Fiscal Year 2017. A combined Critical Decision 2 (Approve



Performance Baseline), and Critical Decision 3 (Approve Start of Construction) is planned for the Transuranic Liquid Waste Facility Project in 1Q FY 2018. The top range Total Project Cost approved at the Critical Decision 1 for the Transuranic Liquid Waste Facility Project was \$96 million and is expected to be maintained.

Secretary Moniz December 1, 2014, memorandum related to project management improvements, mandated that the Under Secretaries assign a senior Manager as Project Owner who identifies the mission need and is responsible for the budget to support the mission need. I have been designated by the NNSA Administrator as the Project Owner for the two projects. Delegating the Project Management Executive will strengthen the role of the Project Owner.

RECOMMENDATION: That you approve the delegation of the Project Management Executive to the Assistant Deputy Administrator for Major Modernization Programs.

APPROVE:  DISAPPROVE: _____ DATE: 10/7/16

cc: Kimberly Davis-Lebak, NA-LA
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