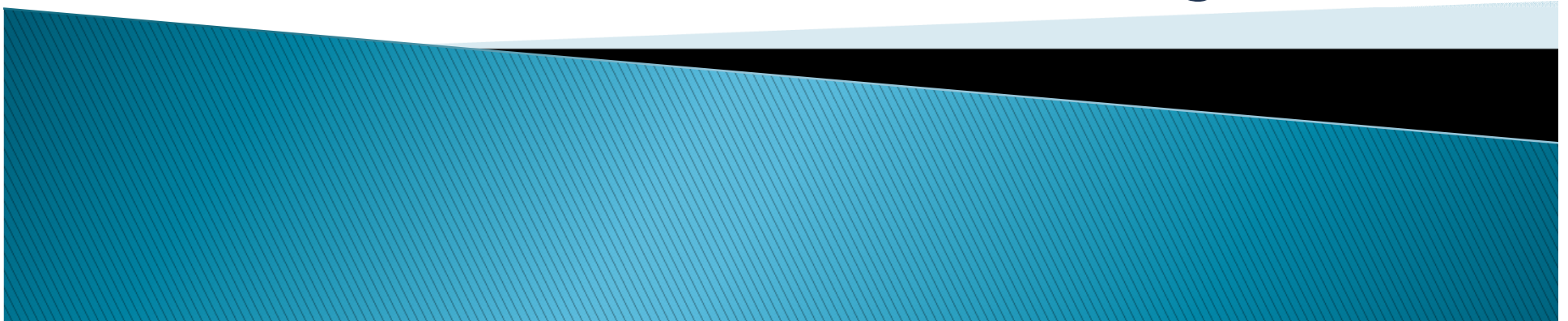


EM Contractor Cost Savings Initiative

EFCOG Semi-Annual Meeting
December 8, 2011
Mike Hughes



Overview

Joint contractor initiative, commissioned by EM-1 July 2011, to identify opportunities to streamline and reduce near-term costs, considering:

- ARRA lessons learned that can be applied to EM's base programs
- Initiatives contractors can implement within their authority
- Initiatives requiring DOE and contractor action and support



Overview

Contractor Leads

John Fulton, CH2MHill

Alan Parker, Energy Solutions

Mike Hughes, Bechtel

Roy Schepens, Parsons

Ellen Livingston–Behan, URS

Susan Stiger, Bechtel

Greg Meyer, Fluor

Bob Warther, B&W




Key Near-Term Opportunities

ARRA Lessons Learned

- Facilitate identification and transfer of ARRA equipment
- Block training
- Expedite reviews and approvals
 - ARRA projects were sanctioned when “good enough”, reviews and approvals were minimized and expedited

Other Contractor Initiatives

- Combine maintenance/surveillance staffing for inactive facilities; align radcon/IH/security staffing to closure requirements
 - Improve direct/indirect staffing ratios
 - Actions to reduce routine business costs (e.g., coordinated sourcing)
 - Standard practices at disposal facilities
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Key Near-Term Opportunities

Joint DOE/Contractor Initiatives

- Near-term opportunities can be found in the way DOE and EM contractors implement requirements
 - Security, safety, authorization basis and readiness
 - Application of requirements for high-risk activities to lower risk work
 - Overly prescriptive direction and subjective interpretations
 - Extensive/duplicative oversight, assessments, audits



Key Near-Term Opportunities

- **Extensive review chains for plans and reports**
 - Delegate as much authority as possible to the field; model DOE's RevCom streamlining
- **Contractor authority**
 - Reduce additional DOE approvals once contract/systems in place
- **Changing requirements – CRDs not required on FAR Part 15 contracts**
- **EM Field Manager authority to streamline/ expedite/eliminate duplicative implementation practices**

