



Cost Estimating Subgroup (CES)

CES Charter

- **Support Project Management Working Group (PMWG)**
 - Meet DOE Critical Mission Requirements
 - Project Scope, Schedule, Cost & Risk Management
- **Sub Committees**
 - Develop Cost Estimating Resource Sharing across DOE Complex (web based)
 - Provide a Forum to Share Lessons Learned (web based)

CES Objectives

- Enable Success of DOE Projects with Sound Cost Estimating Practices
- Share Information with Headquarters & OCA
- Promote Training on Cost Estimating & Analysis
 - OCA Cost Analysis Certification
- Work with OCA & OECM with Policy Development
 - Value-Added Recommendations
- Develop Alliances with DOE Agencies for Guidance on Development of DOE 415 & 413
 - Old NNSA Cost Estimating Guide (April 2004)
 - Clear Demarcation on Capital Construction Projects for DOE 415 and 413 at CD-2

- **CF-70 Presentations**
 - Common Work Breakdown Structures (WBS)
 - DOE Historical Cost Database
 - Cost Data Reporting
 - Cost Data Elements
 - Escalation

- Project Management / Project Controls own the WBS and WBS Dictionary (well developed)
- What Level Will a Standard WBS Reside. (2, 3, 4, 5)
- The Use and Requirements of a Product Oriented WBS Need to be Clearly Defined so that it can be Applied to Projects from any Program such as Science, NNSA and EM, Including Size & Complexity
- Tailor WBS to Size & Complexity of the Project
- It Needs to Make “Sense” to Those Using it
- Good Project Management/Project Controls Tool
- Standardize Work Packages
- Systematic Approach to Estimating and Cost Tracking
- Flexibility at Lower Levels for Site Specific Elements

- Normalization of Project Costs. (Cross-Walk)
- Overcomes Proprietary Ownership of Systems
- Common Approach for DOE Proposals
- Comparable Data
- Good Parametric Estimating Data
- Consistency Across Projects
- Good for Benchmark Development
- Standardized Estimating Systems and Methodologies

- **Three Dimensional Estimating and Data Reporting**
 - WBS – Cost Codes – Data Elements
- **Address Overall Code Structure**
- **Provide Total Project Integration and Cost, Resource, Labor Detail**
- **Be Compatible with How the Work will be Executed and Costs Managed at Different Sites (EM, Science, NNSA)**
- **Application of Indirect Costs (differences)**
- **Ability to Capture the Detail of Data to be Practical**
- **Standardization of Estimating Systems and Methodologies**

CES Annual Meeting - April 2010

Breakout Topic Comments:

Escalation

- **Update Rates (review throughout the year)**
 - Posted on the Office of the Chief Financial Officer webpage
 - Updates Posted Yearly

Questions

- **Contact:**
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- **Representatives for Cost Estimating Subgroup**
 - Recommendations from Project Management EFCOG