SRS Update

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President and CEO
Savannah River Nuclear Solutions, LLC

Savannah River Site Citizens Advisory Board
March 24, 2009
Who We Are
The right team at the right time

• Over 6,000 employees
• The right mix of leadership
  – 32 from SRNS parent companies
  – 51 from incumbent SRS team
  – 42 new hires

• Three parent companies
  – Fluor Daniel
  – Northrop Grumman
  – Honeywell

• Two preselected subcontractors
  – Lockheed Martin
  – Nuclear Fuel Services
Savannah River Site

EM Baseline
- Receive, process, store, ship nuclear materials
- Footprint reduction for reuse
- Environmental cleanup
Size: 2,820

Recovery & Reinvestment
- Jobs
- Visibility
- Auditable
- Cleanup & investment in future
Size: ??

Nuclear Weapons
- Tritium processing & shipping
- Tritium R&D
Size: 1,260

SRNL
- Chemistry
- Modeling
- Sensors
Size: 920

Projects
- WSB
- PDCF
- Power plants
- Renewable
Size: 95

Safe, secure work environment
Best in Complex and industry

Liquid Waste
885 SRNS employees support

6,000 talented managers and workers
Culture of nuclear materials • Experienced/aging

2,000 talented workers

DOE M&O contract

Procedures
More procedures than process

Facilities
Old, but effective

Public and Congressional support
Crown jewel

Geography and geology
Savannah River Site
Management & Operations
Rigor • Renewal • Results

Transition
- Knowledge
- Relationships
- Workforce
- Due diligence
- Move in

Conduct of Operations
Safe, effective
- Safety – best quarter ever
- Process improvements
- Radiological excellence
- Security assessment all "green"

Projects
Grow, sustain
- Biomass powerhouse
- Waste solidification (PDCF)
- SRNL – FBI/Homeland Security/EM
- Resolve fiscal challenges
- Restructure workforce
- Pension health

Conduct of Business
Stable, efficient
- 2009 baseline
- Project management
- Cyber security
- FY10-FY15 baseline
- Site interface management
- Earned Value Management System

Transform Business Model
Task-based, assessment driven
- Execution plan
- “War” room
- Parent support
- Current state assessment

Recovery & Reinvestment
- Job creation
- Public visibility
- Footprint reduction
- Transparent

Sustainability
Energy projects
- SRNS investment (money and time)
- Parent involvement
- DNFSB, regulator, CAB engagement

Community & Stakeholder Engagement
- Earned Value Management System

Timeline:
May 08 Aug 08 Jan 09 Oct 09 2011
SRS Operations Safety Performance – Best on Record

FY 1st quarter safety performance, 2002-2009

Based on data through 12/11/2008

TRC Rate  DART Rate

Savannah River Nuclear Solutions, LLC
A Fluor Daniel Partnership
DOE Prime Contractor Safety Ranking

First quarter FY09

- Operations has worked 10 million safe hours 11 times
- Construction stands at a national record of 21 million safe hours and counting
  - Last lost workday: June 1998
- SRNL is DOE’s safest lab

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<tr>
<th>Contractor</th>
<th>DART Rate</th>
<th>TRC Rate</th>
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<tbody>
<tr>
<td>West Valley Environmental Services (WVDP)</td>
<td>0.14</td>
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<td>Savannah River Nuclear Solutions (SRS M&amp;O)</td>
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<td>Washington Savannah River Company (SRS LWO)</td>
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<td>Washington Closure Hanford (RCCP)</td>
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<td>CH2M-WG (ICP)</td>
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<td>Paducah Remediation Services</td>
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<td>DOE-EM average</td>
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<td>Bechtel National Remediation (WTP)</td>
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<td>Fluor Hanford (PHMC)</td>
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<td>Bechtel Jacobs (ETTP)</td>
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Cases per 200,000 hours
Our First Eight Months

Building the future; using the best from the past and the present

• Implemented “Zero Incidents” program, focusing on broad scope of ESH/Q
• Reinforced and improved existing relationships with regulators and stakeholders
• Assumed responsibility for new scopes – smooth transition
• Scored high in DOE assessment of safeguards and security program
• DOE audit of radiological lab produced no findings – “first time,” per lead auditor
• No environmental non-compliances

An audit of the radiological laboratory produced no findings

L Lake, one of SRS’s former cooling lakes, now teems with fish, waterfowl, and other native wildlife
Operational Achievements

• Final shipment of F Canyon legacy waste that had been stored in R Area was transported to the Nevada Test Site (NTS)

• Safety milestones
  – 17 years in the L Area Complex without a lost time injury
  – 11 years in the K Area Complex and in Area Completion Projects
  – 22 million hours (over 10 years) in Construction

• Offsite receipts of plutonium (Pu) and uranium (U) continue ahead of schedule
  – Future stabilization and disposition in MOX and H Canyon

• Neptunium stabilization completed

• Broke ground for new Waste Solidification Building

• Completed final three shipments of low-enriched uranium from H Canyon to Tennessee Valley Authority
SRS Footprint Reduction Initiative

- Reduce operational footprint by 40 percent by 2011
- Save $1 billion in lifecycle costs
- Create on-site jobs with the Recovery Act

- Metallurgical Building risk reduction
- F Area Outside Facilities (FA Line) deactivation and decommissioning
- Facilities deactivation and decommissioning
- Remediate 4 waste units
- Facilities deactivation and decommissioning
- Waste storage area closure
- Completed 2006

2009

With $535 million per year from 2009-2011

- Completed
- Completion by 2011
- Accelerated
- Infrastructure Consolidated

- Have all transuranic waste shipped or ready to be shipped
- 2 low level waste trenches closure
- Facilities deactivation and decommissioning
- Waste storage area closure
- Accelerate characterization
Put Into Perspective. . .

- 4,500 cubic meters transuranic waste disposed or staged
- 16,000 drums depleted uranium oxide disposed
- 54 waste units remediated
- Decommissioning of two reactors, including the use of 260,000 cubic yards of grout
- 440 garbage truck loads
- Stack of drums 8.5 miles high
- An area the size of 380 football fields end-to-end 26 miles, the distance of the Boston marathon
- Grout would fill a loaded train with 1,900 cars, or four average-sized Home Depot stores
Transformation to Future Successes

Key principles

- Transparency and personal accountability
- Assured long-term workforce competency
- Timely, efficient execution of business and operational responsibilities
- Continuous improvement potential

Timeframe: 2-3 years

A dedicated War Room has been established and fully staffed for the transformation initiative.
Where We Are Headed

Executive Team focus

1. Safe, effective operations
   - Conduct of operations
   - Radiological controls
   - Nuclear criticality safety organization
2. Efficient operations and transformed business
   - Continuous improvement
   - Baseline and EVMS
   - Rate structure
   - Program and risk management
   - Workforce management
   - Other efficiency projects
3. Recovery Act
4. Grow and mature Savannah River National Laboratory
5. Human Capital Program
   - Plan for the future
   - Balanced and matched skills mix
   - Capture “culture of nuclear materials”
6. Site Future/Missions
7. Community relationships
Savannah River Site Management & Operations
Rigor • Renewal • Results

Transition
✓ Knowledge
✓ Relationships
✓ Workforce
✓ Due diligence
✓ Move in

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✓ Public visibility
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✓ transparent

Sustainability
Energy projects

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- Oct 09
- 2011
Rigor ♦ Renewal ♦ Results

Any questions?
Back - Ups

• Back-ups
Transformation Process

Customer

Select business element(s)

Corporate
  • People
  • Processes
  • Best practices

Continuous Improvement

“As-is” baseline

Changing environment

Future baseline

“End State” solution

War Room

Implement

Measure

Integration and Oversight

Identify gap