

JUL 14 1995

The Honorable John T. Conway
Chairman
Defense Nuclear Facilities Safety Board
Suite 700
625 Indiana Avenue, Northwest
Washington, D.C. 20004

Dear Mr. Conway:

TRANSMITTAL OF DELIVERABLE FOR 92-4 IMPLEMENTATION PLAN COMMITMENT 2.2.b(2)

The 92-4 Implementation Plan, Commitment 2.2.b(2) required a letter of direction to affected site participants that invoked the use of systems engineering to develop the technical baseline in support of multi-year work planning.

The enclosed FY 1996 Program Plan Guidance letter to affected site participants requires the use of systems engineering methodologies to improve the site technical baseline and the program planning that is based thereon. This letter was issued to the Westinghouse Hanford Company and the Pacific Northwest Laboratory on June 13, 1995.

This deliverable meets Commitment 2.2.b(2) of the DNFSB Recommendation 92-4 Implementation Plan, Revision 1.

If you have any questions, please contact Mr. E. W. Higgins, of the Planning and Integration Division, on (509) 372-2500.

Sincerely,

ORIGINAL SIGNED BY

Nadine M. Highland
Chief Financial Officer

PID:EWH

Enclosure

cc w/encl:

G. Roberson, EM-36

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J. MADSEN, MACTEC



Department of Energy

Richland Operations Office
P.O. Box 550
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JUN 13 1995

Contractors, Richland, Washington

Dr. W. J. Madia, Director
Pacific Northwest Laboratory

Dr. A. L. Trego, President
Westinghouse Hanford Company

Addressees:

FY 1996 PROGRAM PLAN GUIDANCE

This letter provides guidance for the FY 1996 Program Plan update. A major step was taken last year by combining Fiscal Year Work Plans with Multi-Year Program Plans. This year's call letter emphasizes the high priority that the U.S. Department of Energy (DOE), Richland Operations Office (RL) management places on supporting the Department of Energy-Headquarters strategic goals through establishment, maintenance and use of a sitewide, integrated technical, cost and schedule baseline to complete the cleanup mission. All RL Programs shall support the goals and assumptions provided within the Hanford Strategic Plan and the Hanford Mission Plan Volume I.

The recently formed Site Management Board (SMB), Chaired by the RL Deputy Manager, is the decision making body regarding cross-cutting or overlapping policy among site Programs. This includes Baseline Change Requests that impact the Site Baseline. Individual Programs will resolve these cross-cutting issues through the SMB.

The goal for this year is to refine and improve the baseline planning and development to produce plans that encompass the life cycle of each program. The planning should continue to concentrate on solid activity-based cost estimating and improving the site integrated technical baselines for each program by utilizing systems engineering methodologies. This Site Baseline is intended to provide the basis for the statusing of performance measures in support of DOE-Headquarters strategic goals.

The enclosed FY 1996 planning guidance places emphasis on the critical importance of baseline planning and update maintenance. For the direct-funded programs, the Program Plans represent the work to be accomplished subject to the constraints of the Hanford budget. For the indirect-funded programs, they represent the business plan for services provided to their Hanford direct-funded program customers. It is critically important to the planning bases that subcontractor customer organizations be participants in the indirect Program Plan planning process and provide concurrence to the estimates of work to be performed.