

**Sweeney, Beverly**

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**From:** Flanders, Scott - NRO  
**Sent:** Wednesday, April 21, 2010 10:14 AM  
**To:** Whited, Ryan; Hsia, Anthony; Chokshi, Nilesh  
**Cc:** Hatchett, Gregory; Schaaf, Robert; Clayton, Brent; Kugler, Andrew; Zalcman, Barry  
**Subject:** RE: FY10 funding issues for DSER?

Thanks for the e-mail. I will address these issues with Pat and Dave Matthews.

Scott

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**From:** Whited, Ryan  
**Sent:** Wednesday, April 21, 2010 9:25 AM  
**To:** Hsia, Anthony; Chokshi, Nilesh; Flanders, Scott  
**Cc:** Hatchett, Gregory; Schaaf, Robert; Clayton, Brent; Kugler, Andrew; Zalcman, Barry  
**Subject:** FY10 funding issues for DSER?

Scott, Nilesh, Tony,

We've discussed this over the past few weeks, but I want to reiterate my concern regarding FY10 funding for environmental reviews. We're getting several data points (most recently for Turkey Point) that NRO funds are constrained. To meet Andy's request for Turkey Point funding under the PNNL contract, NCPM stated that they would need to transfer funds from other projects such as North Anna. The statement from Bob Fretz below implies that any significant deviations from spending plans could risk "higher priority projects". As usual, we must guess about how to interpret this data due to lack of transparency regarding the overall funding environment.

There is no process in place for PMs (and BCs) to periodically review electronic spending plans. The process that was described at a DSER all-hands meeting about 6 months ago was never implemented, and consequently the project organizations are largely out of the loop regarding spending plan updates. This is unacceptable under any circumstance, but it leaves us particularly vulnerable when funds are constrained. We've experienced large deviations from spending plans on several PNNL projects for a variety of reasons. PNNL does not appear to have an effective "early warning system" when funds become dangerously low (i.e., we learned yesterday that current Turkey Point funding was below \$20k; this has happened on other projects as well). We have engaged Eva regarding the need for more accurate forecasts, but have not seen substantial improvement to this point.

We will have several more requests for incremental funding in FY10, particularly for the PNNL contract. We need to understand the NRO funding environment, be actively engaged with both contractors and NCPM regarding spending plan updates, and continue to seek improvement from PNNL and other contractors regarding accuracy of spending plans and timely notification of funding issues. We will likely need SES support to make this happen.

Thanks,

Ryan

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**From:** Fretz, Robert  
**Sent:** Wednesday, April 21, 2010 8:51 AM  
**To:** Kugler, Andrew; Whited, Ryan; Cunningham, Elinor  
**Cc:** Terry, Tomeka; Hsia, Anthony  
**Subject:** RE: URGENT: Turkey Point Funding for Audits

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Elinor,

Go ahead and fund the task order per Andy's request. Hopefully when (if) we get reliable spending plans information from the Labs and commercial contractors it will show that we can accommodate this work without risking higher priority projects. I don't want to stop work just because I might have bad information at this time...

Bob

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**From:** Kugler, Andrew  
**Sent:** Wednesday, April 21, 2010 7:01 AM  
**To:** Whited, Ryan; Cunningham, Elinor; Fretz, Robert  
**Cc:** Terry, Tomeka; Hsia, Anthony  
**Subject:** URGENT: Turkey Point Funding for Audits

Elinor, Bob,

I had mentioned yesterday that the environmental staff would be discussing schedules yesterday and I'd let you know if the site audit moved from the week of June 7. After going over the options, we left it that week. We also left the alternative sites audit and scoping meeting the week of July 12.

What that means is that we'll need to keep looking for money to fund this work. To get to the end of July with a very small margin, we should be looking for \$400K. (If we get that and if spending is exactly as planned, we'd have about \$25K left at the end of July.) To get to the end of the fiscal year, with no money left for FY11, we need at least \$665K per the spending plan.

I need to know right away if we can get the funds for June and July because we have to finalize plans for the activities in those months. I have to give the applicant a definitive answer for the June audit because they have to arrange a meeting location offsite. They don't have the room on site. And we need to reserve our meeting room in July right away because there's only one or two options near the site that are big enough to accommodate us. If we can't be sure of having the funding, we'll need to modify our schedule until we can be sure of funding.

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