



Department of Energy
Washington, DC 20585

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MEMORANDUM FOR DISTRIBUTION

THROUGH: JAMES M. OWENDOFF
CHIEF OPERATIONS OFFICER
FOR ENVIRONMENTAL MANAGEMENT

FROM: J. E. SURASH
DEPUTY ASSISTANT SECRETARY FOR
ACQUISITION AND PROJECT MANAGEMENT

SUBJECT: Certification of Contractor's Earned Value Management System
(EVMS) for Newly Awarded and Current Contracts.

The Office of Environmental Management requires that contractors and their applicable subcontractors use a certified Earned Value Management System (EVMS) in accordance with DOE Order 413.3A, *Program and Project Management for the Acquisition of Capital Assets*. The specific requirement is as follows:

"The contractor's project management system must satisfy the following requirement: . The industry standard for Performance Management Systems, described in ANSI/EIA- 748-A-1998, must be implemented and self-certified on all projects with a Total Project Cost greater than \$20M. For projects not required to utilize an Earned Value Management System (e.g., firm fixed-price contract projects), an alternative Performance Management System must be described in the Project Execution Plan and utilized. For projects with Total Project Cost equal to or greater than \$50M, the Earned Value Management System must be validated by the Office of Engineering and Construction Management. It is to be used for control and reporting of project performance as defined in the Project Execution Plan and no later than CD-2."

Because the above requirement and/or other clauses in our current contracts do not specify the period within which the contractors must obtain EVMS certification, these contracts will require modification specifying the period as described below:

- For contracts related to projects with Total Project Cost (TPC) and/or Near-Term Baseline (NTB) >\$50M: "DOE will conduct a review of the contractor's proposed Earned Value Management System (EVMS) for compliance with ANSI/EIA-748 per DOE Order 413.3A. The contractor shall submit an EVMS Certification Plan to DOE within 30 days of contract award or this change order, which ever is later, and receive EVMS certification within six months of contract award or this change order which ever is later."



- For contracts related to projects with TPC and/or NTB between \$20M and \$50M: “The contractor will conduct a review of their Earned Value Management System (EVMS) for compliance with ANSI/EIA-748 per DOE Order 413.3A and submit a letter of self-certification to DOE within six months of contract award or this change order which ever is later.”

Effective with this memo, it is EM policy that all contractors and applicable subcontractors achieve EVMS certification within six months of contract award. Please implement this requirement no later than November 30, 2008. Attachment 1 is a listing of current contractors and their respective projects that do not have certified EVMS at this time. In most cases, the contractor should receive a unilateral change order adding the requirement to obtain EVMS certification within 6 months. In addition, the requirement for EVMS certification within 6 months of contract award shall be included in all future EM contract Requests for Proposal (RFPs). Any exceptions to this requirement must be formally requested for my approval.

If you have any questions please call Mr. Lowell Ely, Acting Director, Office of Management Oversight, at (301) 903-5747, or me at (202) 586-3867.

Attachment

Distribution:

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List of Contractors and Projects without Certified EVMS

Contractor	Contract Period	Project Title	Project ID	NTB (\$M)
Uranium Disposition Services, LLC (UDS)	8/02 - 2/11	Nuclear Facility D&D of GCEP Portsmouth	O2-U-101	\$429.6
Savannah River Nuclear Solutions (SRNS)	8/08 - 7/13	EU Disposition and Balance of Nuclear Facilities	SR-0011	\$2,468.0
			SR-0012	\$304.0
		Soild Waste Stabilization and Dispostion	SR-0013	\$411.0
		Soil and Water Remediation	SR-0030	\$87.0
		Nuclear Facility D&D	SR-0040	\$108.0
ISOTEK System	10/03-9/15	Downblend of U-233 3019	OR-0011Z	\$47.1
CH2M Hill Plateau Remediation	10/08-10/13	NW Stabiliation and Dispostion -PFP	RL-0011	\$1,149.0
		SNF Stabilization and Disposition - KBC	RL-0012	\$200.0
		Solid Waste Stabilization and Disposition	RL-0013/0080	\$931.0
		Soil and Groundwater/Valdoso Zone	RL-0030	\$1,144.0
		Nuclear Facility D&D-Remainder of Hanford	RL-0040	\$562.0
		Nuclear Facility D&D FFTF	RL-0042	\$117.0
Washington River Protection Solutions	5/08 - 9/13	Radioactive Liquid Tank Waste Stabilization and Disposition	ORP-0014	\$2,454.0
Energy Solutions Federal Services, Inc.	6/07 - 9/11	Soil and Water Remediation- MOAB	CBC-MOAB-0031	\$173.1
Washington Group International	12/07 - 11/11	Nuclear Facility D&D SPRU	VL-SPRU-0040	\$118.6
West Valley Environmental Services LLC	7/07 - 6/11	Soild Waste Stabilization and Dispostion- West Valley	OH-WV-0013	\$186.5
		Nuclear Facility D&D West Valley	OH-WV-0040	\$251.4
Los Alamos Nuclear Security	6/06 - 6/13	Soil and Water Remediation- LANL	VL-LANL-0030	\$1,910.0
		Solid Waste Stabilization and Disposition- LANL Legacy	VL-LANL-0013	\$565.0
		Nuclear Facility D&D, Defense- LANL	VL-LANL-0040D	\$237.0
		Nuclear Facility D&D, Non-Defense- LANL	VL-LANL-0040N	\$16.0
NSTec	7/06 - 9/11	Soil and Water Remediation- NTS	VL-NV-0030	\$396.6
		Operate Waste Disposal Facility- NTS	VL-NV-0080	\$114.5
		Solid Waste Stabilization and Disposition- NTS	VL-NV-0013	\$29.9