



Department of Energy

Washington, DC 20585

November 1, 2004

MEMORANDUM FOR: Daniel R. Lehman, Director
Construction Management Support Division

FROM: N. Anne Davies **(SIGNED)**
Associate Director for Fusion Energy Sciences

SUBJECT: Cost and Schedule Review of the National Compact Stellarator
Experiment (NCSX) at the Princeton Plasma Physics Laboratory
(PPPL)

I would like to request that your office organize and lead an Office of Science (SC) mini-review of the NCSX project.

The purpose of this review is to evaluate the project's cost and schedule performance subsequent to the approval of Critical Decision 3 (CD-3) Start of Construction on September 16, 2004. This information will help SC determine that the NCSX Project is meeting the SC project performance goals, and provide recommendations to address any issues you may discover.

The review shall be conducted on December 7, 2004, here in Germantown HQ. In carrying out its charge, the review committee should respond to the following questions:

1. Does the project information provided support the conclusion that the procurements for the modular coil winding forms and vacuum vessel assemblies are proceeding according to the baseline cost and schedule? Are there credible mechanisms in place for evaluating and resolving any future technical issues and changes which may arise?
2. Are the project's cost and schedule estimates credible and realistic for this stage of the project? Do they include adequate cost and schedule contingency? Is the contingency based on a thorough risk based analysis?
3. Is the Integrated Project Team appropriately staffed and functioning as defined in DOE Order 413.3 and the Project Execution Plan?

Barry Sullivan, NCSX program manager, will work closely with you as necessary to plan and carry out this review. I would appreciate receiving your Committee's report within 30 days of the conclusion of the review. This review will play an important role in ensuring that the NCSX project can be completed on cost and schedule. Thank you for your help in this matter. If you have any questions or need additional information, please contact Barry at 3-8438.

cc:

L. Dever, SC-80

K. Chao, SC-81

S. Meador, SC-81

K. Summers, SC-63

B. Sullivan, SC-55

G. Pitonak, PAO

J. Faul, PAO

R. Goldston, PPPL

R. Hawryluk, PPPL

H. Neilson, PPPL

J. Lyon, ORNL