

Department of Energy

Washington, DC 20585 August 20, 2004

MEMORANDUM FOR: Daniel R. Lehman, Director

Construction Management Support Division

FROM: N. Anne Davies (signed)

Associate Director for Fusion Energy Sciences

SUBJECT: Review of the National Compact Stellarator Experiment (NCSX) at

the Princeton Plasma Physics Laboratory

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

The project team recently received vendor proposals for the Vacuum Vessel Sub Assembly and the Modular Coil Winding Forms, which are critical path components. The proposals received, while technically sound, present cost and schedule challenges and require planning changes to remain within the existing baselines.

The purpose of this review is for SC to assess the project's response to these developments and readiness of the NCSX project for Critical Decision 3 (CD-3), Approve Start of Construction. The review shall be conducted on September 1, 2004, at Germantown. Given the current situation the review is requested to focus on the following questions:

- 1. Are the planned changes to the project cost and schedule, including contingency, credible and reasonable?
- 2. How will the planned changes impact project risks?
- 3. Are there adequate resources, both funding and manpower, available to support the planned NCSX procurements and work packages?
- 4. Is the project ready to proceed to CD-3, Approve Start of Construction?

Gene Nardella, NCSX program manager, will work closely with you as necessary to plan and carry out this review. I would appreciate receiving your report within 10 days of the conclusion of the review. This review will play an important role in determining the readiness of the NCSX project to proceed with CD-3 and the award of major component subcontracts.

Thank you for your help in this matter. If you have any questions or need additional information, please contact Gene at 3-4956.