

Memo

To: Hanley Lee, LCLS Federal Project Director, DOE Stanford Site Office

I would like to request that you organize and lead an Office of Science (SC) mini-review of the proposed cost and schedule baselines and management of the Linac Coherent Light Source (LCLS) project. The review should be completed as soon as practicable in November 2004.

An SC Independent Project Review (IPR) was conducted in August 2004 that assessed the project's readiness for Critical Decision 2b (Approve Performance Baseline) and CD-3a (Start Long-Lead Procurements). The IPR committee determined that, while the project had made considerable progress since the May 2003 DOE review, it was not yet fully ready for approval of CD-2b and CD-3a. This was primarily due to an overly aggressive project schedule and an inadequate amount of contingency in the cost estimate considering the risks that lie ahead (e.g., tunnel construction). The IPR report assigned an Action Item to the project to "Re-evaluate the project's proposed baseline cost and schedule, and submit a revision to DOE/SC." Accordingly, LCLS management has re-evaluated the baseline cost and schedule estimates and prepared a revised baseline proposal for DOE approval. This revision also includes the impact of an FY 2005 Continuing Resolution through December 2004.

The review scope should concentrate on the changes between the proposed baseline presented to the August 2004 DOE review committee (Total Project Cost or TPC = \$315 million, and completion by September 2008) and the current baseline proposal (TPC = \$379 million, and completion by March 2009).

In carrying out its charge, the review committee should respond to the following questions:

1. Are the changes to the proposed LCLS cost and schedule baselines appropriate and credible? In particular, are the changes to the Conventional Facilities (CF) cost, schedule and contingency responsive to the recommendations? Are the CF procurement and construction strategies appropriate for the project?
2. Based on the revised project organization plan, can the organization successfully manage the project to completion?

The committee should provide a summary report with any recommendations to Dr. Patricia Dehmer, Director of the Office of Basic Energy Sciences no later than December 1, 2004.

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Office of Basic Energy Sciences

Cc:

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