

BOX. MPR--1

FINANCIAL AND ADMINISTRATIVE SECTION

of

PROGRESS REPORT NO. 19

on

CONTRACT NO. 14-32-0001-1513

to

OFFICE OF COAL RESEARCH

August 19, 1974

~~BATTELLE~~  
~~Columbus Laboratories~~  
505 King Avenue  
Columbus, Ohio 43201

(The Technical Section of this Progress Report was not available at the time of processing.)

FINANCIAL AND ADMINISTRATIVE SECTION

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Columbus Laboratories

August 19, 1974

Financial

Table B-1 presents the Task Cost and Manpower Projection form for the month ending July 31, 1974. Billings have been paid to Chemico for New York operating costs through June and all of their fee except for the final payment which by contract is withheld. In addition, Chemico has been reimbursed \$190,947.33 for equipment invoices paid by them. Total actual disbursements to Chemico are \$1,165,452.50.

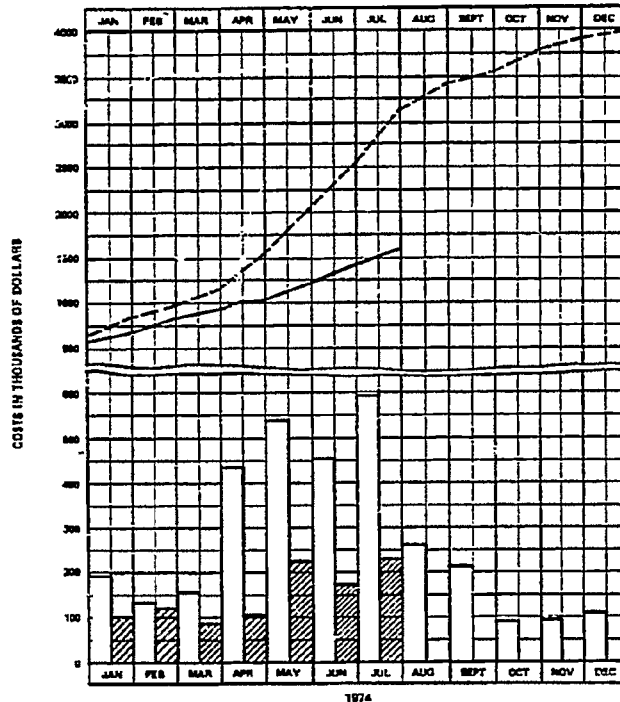
We have received and approved additional vouchers from Chemico for equipment purchases amounting to \$202,678.98. This approval was received too late by Battelle's accounting group for the payment to be reflected in this month's Battelle voucher to OCR.

The cumulative money actually expended by Battelle, including actual payments to Chemico but exclusive of the Battelle fee, to date are about \$1,629,000 as shown in Table B-1. If the Battelle fee and approved-but-not-paid vouchers of Chemico's are included, the "expended" by Battelle is about \$1,909,865. This is about 46.6 of the total encumbered\* funds for the project.

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\* Letter from Mr. G. Edward Larson (OCR) to Battelle dated July 24, 1974, shows OCR funds of \$2,733,333 and A.G.A. funds of \$1,366,667.

TABLE B-1.  
BATTTELLE PDU  
TASK COST AND MANPOWER PROJECTIONS  
MONTH ENDING JULY 31, 1974



MANPOWER (MAN-MONTHS)

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEPT	OCT	NOV	DEC
Pred.	6.0	6.0	6.0	6.0	6.5	6.5	8.0	8.0	11	11	13	15
Act.	4.3	4.0	4.4	3.7	4.0	4.8	4.2					

DIRECT LABOR & OVERHEAD COSTS (THOUSANDS OF DOLLARS)

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEPT	OCT	NOV	DEC
Pred.	21.8	19.8	22.8	25	25	25	32.5	36	60.8	65	77	96.5
Act.	19.6	18.2	18.4	17.8	17.9	21.6	18.3					

SUBCONTRACT AND CONSULTANT COSTS (THOUSANDS OF DOLLARS)<sup>(1)</sup>

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEPT	OCT	NOV	DEC
Pred.	169	115	128	404	504	422	556	221	145	7	0	0
Act.	77.9	103	64.9	87.8	207	142	208					

NON-EXPENDABLE EQUIPMENT (THOUSANDS OF DOLLARS)<sup>(2)</sup>

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEPT	OCT	NOV	DEC
Pred.	0	0	0	0	0	0	0.5	1.0	1.2	10.0	4.0	1.5
Act.	0	0	0	0	0	0	0					

MATERIALS, SUPPLIES, TRAVEL, AND ODC (THOUSANDS OF DOLLARS)<sup>(3)</sup>

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEPT	OCT	NOV	DEC
Pred.	3.2	3.2	6.2	5.0	5.0	5.0	2.0	3.0	6.0	8.0	12.0	12.0
Act.	3.2	1.4	2.3	2.2	4.6	4.3	3.7					

TOTAL (THOUSANDS OF DOLLARS)<sup>(4)</sup>

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEPT	OCT	NOV	DEC
Pred.	184	138	156	434	534	462	591	261	213	90	93	110
Act.	100.7	123	85.6	107.8	229.5	186	230					

KEY TO GRAPH:

PREDICTED TOTAL COSTS     
  ACTUAL TOTAL COSTS  
 PREDICTED CUMULATIVE     
  ACTUAL CUMULATIVE

NOTES:  
 (1) OUTSIDE CONSULTANTS  
 (2) NON-EXPENDABLE EQUIPMENT TO BE PURCHASED BY SUBCONTRACTOR IS INCLUDED IN SUBCONTRACT CATEGORY  
 (3) COST OF BATTTELLE RESIDENT CONSULTANTS INCLUDED IN THIS CATEGORY  
 (4) DOES NOT INCLUDE BATTTELLE FEE

In their monthly progress report to us covering July, Chemico informs us that by the end of August, a total of about \$3,256,923 will have been either spent by them or committed to equipment purchase. We estimate that this combined with Battelle expenditures on the project, exclusive of our fee, will bring the total amount either spent or committed to about \$3,750,000 at the end of August or 91.5 percent of the encumbered funds.

Because we are encroaching upon funds currently encumbered for the project and the total encumbered funds are our present authorization, we submitted\* a proposed prime contract modification to OCR on August 6, 1974, with a subsequent copy to A.G.A.

A prime contract modification is required as a result of the numerous delays in completion of our Coal Gasification PDU by the subcontractor and associated cost increases. The proposal contains updated cost information and a new overall project schedule. We intend to publish the schedule when it is approved.

We are in close contact with the Operating Committee regarding the financial problems.

#### Administrative

On July 26 we received formal written notification that Chemico had changed the project manager on our job to Mr. John Regan. The previous project manager is to be retained as a no-cost consultant. They also notified us that the previous project engineer on our job had been reassigned and Mr. Thomas Dillon would act as project engineer for the remainder of the job.

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\* By letter from Mr. James L. Powell, Acting Assistant Director for evaluation and review at OCR, we have been informed the proposal was received by them and assigned OCR Proposal No. M50028 GA.

Mr. Regan has been serving as a deputy project manager on the job since March and Battelle has been very pleased with his performance. Mr. Dillon has approximately 25 years experience with Chemico, appears to be a very competent chemical engineer, and to be doing a diligent job for us. We are pleased with Chemico's decision to make these changes.

Mr. Regan is reporting to Mr. Lloyd Lundahl, Chemico's Vice President of Projects. Mr. Lundahl recently joined Chemico from Bechtel. He appears to be taking an interest in our job and should be able to provide the type of commitment on Chemico management's part required to successfully complete the work.

Mr. Mark Young, Chemico's construction superintendent on the Battelle job, appears to us to be dedicated to getting the PDU built. Mr. Young joined the field construction force at West Jefferson in July.

It appears that there are no current administrative problems.

BATTELLE'S COLUMBUS LABORATORIES  
PERSONNEL ASSIGNED TO PROJECT\*

- |                      |   |
|----------------------|---|
| (1) W. M. Goldberger | (4) T. L. Tewksbury   |
| (2) W. C. Corder     | (5) H. R. Batchelder (Staff Consultant<br>and Special Review) |
| (3) R. R. Adams      | (6) R. D. Fischer   |

CHEMICAL CONSTRUCTION CORPORATION  
PERSONNEL ASSIGNED TO PROJECT\*\*

- |                     |                       |
|---------------------|-----------------------|
| (1) S. G. Arya      | (20) J. J. Madorma    |
| (2) H. H. Becker    | (21) F. Matherne      |
| (3) R. A. Brady     | (22) J. R. Mavus      |
| (4) T. Dillon       | (23) E. J. Miller     |
| (5) S. DeMarco      | (24) F. Nesi          |
| (6) H. M. Diamond   | (25) H. Osborne       |
| (7) M. J. Dicianni  | (26) J. L. Parodi     |
| (8) H. L. Dresher   | (27) E. A. Postrk     |
| (9) G. G. Elsis     | (28) N. Razfar        |
| (10) F. Elstner     | (29) J. P. Regan      |
| (11) H. Fredrickson | (30) E. C. Reidy      |
| (12) G. Gutterman   | (31) P. S. Schlaff    |
| (13) G. Handza      | (32) F. W. Shirley    |
| (14) H. J. Hubchen  | (33) L. Van Amerongen |
| (15) D. Iorio       | (34) N. Vario         |
| (16) R. L. Jordan   | (35) P. Witzig        |
| (17) V. Kuris       | (36) M. Young         |
| (18) J. Landy       | (37) A. Yuen          |
| (19) J. Lazzarotti  | (38) J. Perrone       |

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\* Only staff who devote significant portions of their time to the program are listed. Various others have temporary assignments.

\*\* Identified by Chemico as "key" staff on project.



*Chemical Construction Corporation*

ONE PENN PLAZA • NEW YORK, N. Y. 10001  
34<sup>TH</sup> STREET BETWEEN 7<sup>TH</sup> & 8<sup>TH</sup> AVENUES  
TELEPHONE: (212) 239-3100 • TELEX: 23-4110 • CABLE: CHEMICONST, N. Y.

August 8, 1974

Mr. W. C. Corder  
Minerals and Metallurgical Processing  
Division  
Battelle Memorial Institute  
Columbus Laboratories  
505 King Avenue  
Columbus, Ohio 43201

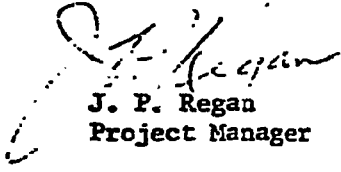
Letter No. CB-389  
Contract 1947J  
Re: Battelle's Columbus Laboratories  
Coal Gasification  
Process Development Unit

Monthly Status Report

Dear Bill:

Attached is one copy of our Status Report dated August 2, 1974.

Very truly yours,

  
J. P. Regan  
Project Manager

JPR:d  
w/attachments

CHEMICAL CONSTRUCTION CORPORATION

JOB 1947J

BATTELLE'S COLUMBUS LABORATORIES

COAL GASIFICATION PDU

STATUS AS OF AUGUST 2, 1974

A). Overall Status

During this month, work proceeded on schedule in most areas. Deliveries continue to be a problem (See "C" Material Status).

B). Financial Status

Purchase Orders and Letters of Intent	\$ 1,933,108
Services billed up to July 15, 1974	923,815
Estimated billing for services July and August	300,000
	<hr/>
	\$ 3,256,923

Please note that this exceeds the present authorized cost of \$3,143,000.

C). Material Status

Purchasing activities and material arrival in the field and changes in shop schedules are reported in detail in the weekly reports.

All D-R equipment orders have been placed with the exception of Sump Pump J-805 and the Tote Bins O-505/12. Bids for J-805 are being evaluated and our recommendation for the Tote Bins has been submitted to BCL for approval.

The enclosed Purchase Commitments Report as of July 25, 1974 and



CHEMICAL CONSTRUCTION CORPORATION

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Master Project Schedule as of August 2, 1974 give detail information on the status of material procurement and receiving.

D). Process Engineering

Heat and material balance calculations for the 500 Section have been given to BCL for comments.

E). Flow Sheets

All P & I's have been issued.

F). General Arrangements

General Arrangement drawings are being refined, incorporating piping and equipment vendor's drawings information. We are yet to receive some of the vendors' drawings.

Completion is presently reported as 80%.

G). Structural Steel

Structural steel design is essentially complete, save for pipe racks and supports.

H). Foundations

Except for three items, foundation drawings are finished. We are awaiting drawings from vendors for two items.

Anchor bolts and rebars have been requisitioned.

CHEMICAL CONSTRUCTION CORPORATION

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I). Piping

Piping isometrics are in the checking stage.

Bulk items have been requisitioned.

A new valve take off has been made.

J). Instrumentation

Most instruments and instrumentation materials are requisitioned and/or purchased. Instrumentation drawings are more than 90% complete.

All bulk items have been requisitioned.

K). Electrical

All electrical equipment has been purchased.

All electrical drawings have been issued "For Construction".

All bulk items, except miscellaneous left for field purchasing, have been requisitioned.

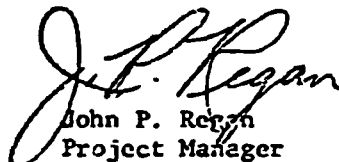
L). Construction

Chemico Field Office is receiving equipment and materials as reported in the weekly report.

Foundations are reported 50% complete.

Piping work has been started.

For construction progress see enclosed Construction Schedule.

  
John P. Regan  
Project Manager

Attachments:

Drawing List and Status as  
of July 28, 1974

Purchase Commitments Report  
as of July 25, 1974

Construction Schedule, Drawings BC-001/002  
Dated August 5, 1974

Master Project Schedule as of  
August 2, 1974

ATTACHMENTS TO CHEMICO MONTHLY  
REPORT NOT INCLUDED