

U.S. Department of Energy
Washington, D.C.

Secretary of Energy
NOTICE
SEN-6E-92
DATE: 2-21-92

SUBJECT: DEPARTMENTAL ORGANIZATIONAL AND MANAGEMENT ARRANGEMENTS

In May 1989 I issued Secretary of Energy Notice-6 (SEN-6). At that time, I indicated that longer-range realignments would be promulgated and phased in as they were developed. This process has been on-going, and results have been incorporated into revisions to replace the original SEN-6. These revisions have extended principles previously promulgated such as changes in arrangements for independent internal oversight of nuclear safety. However, it should be emphasized that the revisions have built on and, therefore, do not change previously announced elements in the original document. Additional Departmental realignments, including those announced through previously issued SEN-8, 13, 18, 21, and 24, have been incorporated into this Secretary of Energy Notice. SEN-6 and its revisions constitute the base Department of Energy (DOE) organization realignment directive.

In order to improve how we do our job, the Deputy Secretary and the Under Secretary have conducted an on-going review of the organizational structures and management practices throughout the Department. Recommendations for significant changes have resulted from these reviews and I have approved many of these changes. In May 1991, I directed changes dealing with additional field and Headquarters reporting relationships designed to resolve the line program management roles of Departmental Program Secretarial Officers (PSO) with respect to management oversight of field elements and contract management in general. Recent events affecting the global political environment have prompted me to realign and elevate the visibility of the functions previously assigned to the Assistant Secretary for International Affairs and Energy Emergencies. In addition, I have taken steps to realign Departmental functions for oversight of radiological protection.

The following is a summary of changes in Departmental organizational and management arrangements directed since May 1989 with an updated status on implementation and a description of the most recently approved changes.

Defense Nuclear Facilities Safety Board.

In 1988 a law was enacted establishing the Defense Nuclear Facilities Safety Board (DNFSB) as an independent board within the executive branch of the Federal Government mandated to perform an external, independent nuclear safety oversight role with respect to specific DOE defense facilities, including Savannah River. The DNFSB has been established and is now operational.

Office of the Departmental Representative to the Defense Nuclear Facilities Safety Board.

On November 27, 1991, I approved the creation of the Office of the Departmental Representative to the Defense Nuclear Facilities Safety Board. This Office will provide improved coordination between the Board and Departmental Elements, and represent me in regular and continuing interactions with the Board chairman and members.

Advisory Committee on Nuclear Facility Safety.

The Advisory Committee on Nuclear Facility Safety (ACNFS) was established by the Secretary of Energy in November 1987 and was rechartered by me in 1989 to carry out an independent nuclear safety oversight role. The Committee and I concluded that based on actions we have taken there is adequate nuclear safety oversight; therefore, the Committee's charter was allowed to expire on its scheduled termination date, November 13, 1991.

Environment, Safety and Health Functions.

To achieve greater clarification on responsibilities for environment, safety and health functions I have realigned accountability within the Department as follows:

- o In September 1989 the Assistant Secretary for Nuclear Energy (NE-1) was assigned the responsibility for developing and coordinating Departmental policy for nuclear reactor and non-reactor nuclear facility safety. In this connection, reactor and non-reactor nuclear facility safety embraces all systems and activities that can influence the potential for uncontrolled release of fission products, or for nuclear criticality. Certainty of nuclear safety involves not only verification that nuclear reactor and non-reactor nuclear facility designs comply with applicable standards, but also verification that plant modifications, operations, maintenance, and plant material conditions meet nuclear safety requirements, and that human performance facets which could potentially affect nuclear safety are receiving appropriate attention.
- o The Assistant Secretary for Defense Programs (DP-1) continues to be fully responsible within the Department for all elements of nuclear weapons safety.
- o The Assistant Secretary for Environment, Safety and Health (EH-1) directs development of environmental, safety and health policy in areas other than those designated above. In addition, EH-1 is responsible for and conducts independent assessments to assure compliance with applicable laws related to environmental protection, worker safety and health (excepting radiation safety), and public health and safety related to DOE operations. On matters involving the independent oversight role, the Assistant secretary, EH, has direct access to the Secretary.
- o In addition, EH-1 is responsible for inspecting and assessing the effectiveness of the Department's safeguards and security policies, programs, and their implementation in the field; and for the safety certification of packaging containers for shipment of DOE radioactive materials excluding nuclear weapons.
- o Responsibility for the design, construction, and operation of nuclear reactors previously under the direction of the Director of Energy Research (ER-1) has been reassigned to NE-1.

Radiological Protection Program.

In order to improve radiological protection practices throughout the Department and achieve my goal of making the Department the pace-setter for radiological health and safety, I directed on January 16, 1992, that the

following actions and realignments of functions be effected:

- o The Assistant Secretary for Environment, Safety and Health (EH-1) is responsible for promulgating and maintaining the definitive policies, standards, and guidance for the Department's radiological protection program. These responsibilities include insuring that the policies and standards are effective and capable of implementation by line management. In order to provide the Department with the framework for effective radiological control practices that are consistent with respect to requirements and standards, EH will prepare and issue by June 1, 1992, a comprehensive and definitive Radiological Control Manual, to be the basis by which site specific manuals can be generated. To accomplish this in the shortest possible time, I am directing EH-1 to form and chair a task force of senior managers from Nuclear Energy (NE), Defense Programs (DP), Energy Research (ER), Environmental Restoration and Waste Management (EM), Office of Nuclear Safety (NS), and EH, assisted by appropriate, knowledgeable and experienced support service contractors and selected field representatives.
- o The Director of the Office of Nuclear Safety will assume the responsibilities of independent monitoring and assessment of the effectiveness of the Department's radiological protection performance, formerly assigned to EH, including independent oversight of on-site operational performance.
- o The Department's line managers are fully responsible for the performance of radiological controls within their programs and the field activities and sites assigned to them. To implement this responsibility each PSO responsible for radiological programs will:
 1. Take action immediately to ensure that their respective DOE Field Offices assign appropriately trained personnel capable of monitoring the on-site performance of contractor radiological control efforts, and
 2. Develop an implementation plan and schedule, with measurable milestones, not later than August 1, 1992 with the goal of full implementation by December 1, 1992.

Restart of Savannah River Reactors.

Establishment of direct line responsibility is essential to assure the successful realization of major DOE programs, including the Savannah River reactor restart effort. To assure that maximum Departmental resources were effectively focused on the safe and timely restart of the Savannah River reactors, a number of organizational and management changes were implemented effective June 1, 1989.

Significantly, on that date, the Manager, DOE Savannah River Field Office (SR), was reassigned to report directly to the Assistant Secretary for Defense Programs. Except where noted below, the functions and responsibilities of the Manager, DOE Savannah River Field Office (SR), remain unchanged. For those Savannah River functions and tasks coming under the jurisdiction of other Program Secretarial Officers, DP-1 has been directed to assure, in consultation with the appropriate PSO and the Manager, SR, that the necessary resources and contractor attention are provided to achieve the tasks. To further the philosophy that the

Department of Energy consists of line organizations fully responsible for the entire scope of their own activities, I included operational programs and activities related to environmental protection; radiation and reactor safety; and worker and public health and safety issues in those responsibilities. To this end, effective June 1, 1989, DP-1 assumed full accountability and responsibility for operational programs and activities at SR using the following guidelines:

- o Assure all applicable DOE Orders and other directives are strictly and vigorously followed.
- o Provide appropriate management and internal oversight of Defense Programs operations by DOE employees within DP to attest that applicable requirements are met. (Note that these activities are independent from any conducted by contractors.)

Special Projects Office, Savannah River Restart (SRSP0).

The SRSP0 was established at Savannah River effective May 19, 1989. Staffed with DOE employees, its Director reports directly to DP-1 and interfaces with the Manager, SR, and the president of the Westinghouse Savannah River Company (WSRC).

The Director, SRSP0, is responsible for the following:

- o Informing DP-1 currently and fully of all matters that affect or could affect the timely and safe restart and operation of the Savannah River reactors.
- o Interfacing with all Savannah River contractors on matters related to restart and operation of the Savannah River reactors. Acting under the authority of the DOE Savannah River Field Office as the Contracting Officer's Representative, and in accordance with the DOE-WSRC contract, the SRSP0 directs the contractor's efforts on matters directly related to the Savannah River Reactors. If necessary, he uses DOE resources assigned to the SR with the agreement of the Manager, SR.
- o Interfacing with the Manager, SR, to effect a coordinated effort at the Savannah River site.

A Savannah River Restart Office (SRRO) reporting to the DP-1 was established at DOE Headquarters May 19, 1989. The SRRO provided services related to the safe and timely restart and operation of the Savannah River reactors as directed by DP-1. The SRRO was disestablished July 1, 1991, when the functions were incorporated into the DP Facilities Management organization.

Consistent with my March 23, 1989, announcement, coordination of all waste management and environmental restoration activities at the Savannah River Site is the responsibility of the Assistant Secretary for Environmental Restoration and Waste Management (EM-1).

Office of Nuclear Safety.

In order to assure proper oversight of reactors and non-reactor nuclear facilities, it is necessary that I have the means to independently verify that expected levels of nuclear safety performance are being achieved. To this end, I created a separate Office of Nuclear Safety (NS) at DOE

Headquarters in September 1989, reporting directly to me to advise me whether or not line management (other than the Naval Nuclear Propulsion Program) and self-assessment functions are adequately achieving nuclear safety.

While the Office of Nuclear Safety has no line authority, it does, however, have broad responsibilities to monitor and audit all aspects of nuclear safety. This includes examination of field office and contractor performance through review of documentation such as Safety Analysis Reports, and program office and site reports, as well as to observe on-site activities. This office is also responsible for identifying for me special circumstances indicative of deteriorating or poor performance that may warrant further in-depth appraisals. With my approval, these special safety, appraisals are conducted with teams that include outside expertise representing a bridge to experience in the commercial nuclear industry. Findings of such appraisals are used by me to provide direction to the PSOs to identify and fix fundamental problems.

The office also reviews and concurs in nuclear reactor and non-reactor nuclear facility safety policies developed by NE and is responsible for enforcement policy and programs associated with the civil and criminal penalty authority of the Price-Anderson Amendments Act.

Self-Assessment Offices.

In order to establish internally independent oversight within DP, EM, ER, NE, NP, FE, RW, and CE, separate offices have been established that report directly to the PSOs or comparable officials (some by issuance of this Notice; others by previous organizational actions). The offices conduct independent assessments of the adequacy of DOE and contractor performance of their responsibilities for environment, safety and health, and safeguards and security within the areas of their concern.

These Self-Assessment Offices act as a means of independent feedback to the PSOs on how effectively both line management implementation and oversight of environment, safety, and health, and safeguards and security programs satisfy the basic goals and tenets of this directive. These offices accomplish this mission by conducting a program of design, construction, and operational assessments, which sample performance in the environment, safety, and health, and safeguards and security areas to gauge the adequacy of line management's approach, commitment, and accountability for its responsibilities in these areas. They are complemented by similar self-assessment organizations located in the field at DOE and contractor sites. Emphasis on the above areas of self-assessment functions is in no way meant to pre-empt or replace self-assessment responsibilities of management; all key areas of management responsibility, including contracts, procurement, and program direction, should be subject to stringent and regular management review. Accordingly, I directed that all self-assessment organizations be completely operational at Headquarters and in the field by the end of Fiscal Year 91.

Administration and Oversight of Occupational Safety and Health
Administration Requirements.

In my notice of September 5, 1989, I directed senior DOE Headquarters and field line officials to ensure that their facilities conform to applicable operational, environmental, safety, health, and security standards

established by law, regulation, or Departmental policy while at the same time ensuring that they meet their production and research missions. Based on my agreement with the Occupational Safety and Health Administration (OSHA), the Department exercises full and independent statutory authority to prescribe and enforce standards fully compatible with OSHA regulations in its facilities.

Furthermore, OSHA has established and codified a process in 29 CFR 3960, Subpart B, for affirming that senior Federal managers assume responsibility for Federal worker safety and health programs. The regulation provides for a Designated Agency Occupational Safety Official identified as the senior Federal manager responsible for the safety and health of workers at the agency (the Director of Administration and Human Resource Management). I have adopted the OSHA approach and reemphasize that the respective PSOs are designated as the assigned program officials responsible for the safety and health of contractor workers under their purview. Accordingly, they are responsible for administering occupational safety and health compliance programs; establishing programmatic goals, objectives, and priorities; and identifying and applying necessary resources to mitigate hazards and comply with requirements relevant to contractor workers.

The PSOs' Self-Assessment Offices evaluate DOE and contractor line management accountability for the implementation of these workplace safety and health requirements; they are charged to regularly report the status of compliance to the PSOs. The self-assessment organizations in the field serve a similar purpose for their answerable line officials. The Assistant Secretary for Environment, Safety and Health (EH-1) is responsible for developing Departmental policies, requirements, and guidance upon which the Department exercises its authority under OSHA. In addition, EH-1 assesses and reports to me and to the PSOs on the status and adequacy of line management performance of its occupational safety and health responsibility at DOE facilities.

Congressional, Intergovernmental and Public Affairs Activities.

Information on a new centralized system and organizational arrangement for management of congressional, intergovernmental and public affairs activities in the Department was discussed in an earlier issuance of SEN-6. The associated changes are consistent with my aim of significantly improving our ability to respond to the Nation's national security and energy needs on a pro-active basis with congressional, Federal, State and local policymakers as well as public interest groups and industry.

It is essential that we have a discernable organizational arrangement in place and execute a clear and accountable line of authority to achieve our public policy priorities. This requires a commitment from all DOE senior officials and program managers, both at Headquarters and in the field, to constructively communicate and coordinate significant matters.

To accomplish these objectives, I directed the Under Secretary to assess the existing management structures and organizational composition for performing congressional, intergovernmental, and public affairs functions and to propose a centralized system and organizational structure for managing all of these activities. The Under Secretary completed his review of these activities and concluded that major changes were necessary. Based on the Under Secretary's recommendations, I significantly altered the Departmental organizational arrangement and management culture associated with our

congressional and external interactions as follows:

- o Congressional and Intergovernmental Affairs.

Effective July 14, 1989, I centralized all congressional and intergovernmental affairs functions, except the working relationship between the appropriation committees staffs and the External Relations Staff of the Office of the Chief Financial Officer, within a retitled and functionally realigned Office of Congressional and Intergovernmental Affairs (CP). This realigned organization also includes those non-legal (hearings coordination) functions involving the development, preparation, coordination, and clearance of all proposals contained in the DOE legislative program which were being performed by the Assistant, General Counsel (GC-13) for Legislation. Similarly, congressional and/or intergovernmental activities in the Defense Programs (DP) and New Production Reactors (NP) organizations were abolished and attendant resources were transferred to the new CP organization.

Congressional and intergovernmental functions of Departmental field organizations, other than the Naval Nuclear Propulsion Program, are subject to functional guidance and oversight of the Assistant Secretary for Congressional and intergovernmental Affairs (CP-1). Appropriate arrangements for functional supervision of congressional and intergovernmental affairs activities will be developed in conjunction with PSOs and Heads of Departmental field organizations. (See discussion on HQ/Field Reporting Relationships.)

- o Public Affairs.

To provide a single focused voice with the news media in terms of press services and public information activities, I created a new Office of Public Affairs (PA) in July 1989 by transferring those functions from the previous CP organization. Overall DOE policy direction and management of press services and public affairs activities are now the responsibility of the Director of Public Affairs (PA-1).

Interactions with the news media must be coordinated with the Director of Public Affairs. Headquarters and field elements are expected to improve communication with this Office and provide advance, timely information to PA on sensitive and noteworthy matters as necessary.

Effective June 27, 1990, all public relations and public information functions of DOE Headquarters line program organizations were transferred to PA. All press information documents or press releases relating to activities of the affected organizations are prepared by PA staff. Those public relations and public information functions which are integral to the performance of a statutorily mandated role and mission of organizations, such as that of the Energy Information Administration, Inspector General or the Federal Energy Regulatory Commission, were not included in this transfer of function.

Public affairs functions of Departmental field organizations, other than the Naval Nuclear Propulsion Program, are subject to functional guidance and oversight of PA-1. Appropriate arrangements for functional supervision of public affairs activities will be developed in conjunction with PSOs and Heads of Departmental field organizations. (See discussion on HQ/Field Reporting Relationships.)

Environmental Restoration and Waste Management.

Effective November 1, 1989, I established the Office of Environmental Restoration and Waste Management (EM), consolidating the environmental cleanup, compliance, and waste management activities identified in the Five-Year Plan. Effective November 1, 1991, I designated this Office as the Office of the Assistant Secretary for Environmental Restoration and Waste Management. EM provides centralized management and planning. Additionally it focuses Headquarters' control and validation of cost, schedule, and priority of environmental restoration and waste management projects at DOE facilities not actively used for production. A Memorandum of Agreement has been executed between EM and other DOE offices to clarify their respective roles and responsibilities.

EM also administers an aggressive Environmental Restoration and Waste Management applied research and technology development program. DOE Field Offices continue to be responsible for the execution of projects at their sites and have appropriately realigned their organizations to implement the Five-Year Plan. Each DOE Field Office has identified those facilities that are under the purview of EM.

Management and Administration Functions.

In order to strengthen line management, I directed that changes be made in the structure of administrative and management functions in DOE Headquarters. This reorganization was effective March 1, 1990. The Assistant Secretary for Management and Administration's (MA-1) organization was reorganized and functional components reassigned as detailed below:

- o The Office of the Assistant Secretary, Management and Administration was disestablished.
- o The Directorate of Procurement and Assistance Management was retitled the Office of Procurement and Assistance Management (PR) (currently titled the Office of Procurement, Assistance, and Program Management). This action was consistent with our previously announced reforms to enlarge and strengthen program and contractor accountability and management.
- o Functions previously assigned to the Deputy Assistant Secretary for Financial Management and Controller were realigned, without internal changes, as the Office of Financial Management and Controller (CR), (now designated the Office of the Chief Financial Officer as mandated by P.L. 101-576).
- o The Office of Administration and Human Resource Management (AD) was established with the functions organized into the following elements: Executive Secretariat; Personnel; Professional and Technical Training and Development; Organization, Resources and Facilities Management; Information Resources Management; Civil Rights; and Administrative Services.

Recruitment, Technical Training and Professional Staff Development.

In my notice of September 5, 1989, setting a fresh course for the Department, I indicated that we would be undertaking new education and

development programs as well as a major effort to revitalize our internship programs. The lack of a coherent effort to recruit, train, and develop the technical talent within DOE to run our complex operations is one of the Department's most serious problems. Correcting these deficiencies is one of my highest priorities.

This notice announced several important and related measures aimed at ensuring that training, recruitment, and staff development of DOE program managers and supervisors are comprehensive in scope, properly coordinated, and sufficiently supported by resources necessary to achieve early positive results.

I established a committee chaired by the Under Secretary to develop a five-year plan for the recruitment, training, and professional development of technically trained professionals to staff the Department's technically oriented offices at Headquarters and in the field. I approved the initial five-year plan on January 7, 1992:

Effective April 16, 1990, the Office of Scientific and Engineering Recruitment, Training, and Development (TR) was established. The Director of this office reported directly to the Under Secretary and, working in concert with various involved Assistant Secretaries and Program Directors, was responsible for formulating and implementing the technical training, recruitment, and professional staff development programs outlined in the five-year plan discussed above.

On July 16, 1991, I determined that the objectives of the Five-Year Plan could more effectively be accomplished by placing TR functions and staff in an organizational environment where compatible functions and related support were available. Accordingly TR was transferred to the Office of Administration and Human Resource Management (AD), and its training and development functions combined with the training and development functions already performed by AD in a new Office of Professional and Technical Training and Development. The recruitment functions were integrated within the Office of Personnel.

DOE Intelligence Programs and Intelligence-Related Work for Others.

On April 6, 1990, I established the Office of Intelligence (IN) to be responsible for the coordination of all DOE intelligence-related activities. The primary mission of this new organization:

- o Ensures that intelligence information requirements of the Secretary and senior DOE policymakers are met.
- o Ensures that DOE's technical, analytical, and research expertise is made available to the intelligence community in accordance with Executive Order 12333.
- o Provides threat assessment and support to DOE Headquarters and field operations.

To ensure that DOE's intelligence programs and intelligence-related "work for others" programs are effectively and efficiently managed, I tasked the Director, IN, to develop a management system for analysis, resource allocation, implementation, and evaluation of these programs. This management system will be used to provide a framework for:

- o Identifying and analyzing DOE intelligence needs.
- o Identifying and analyzing DOE technical, analytical, and research expertise to meet Intelligence Community needs.
- o Formulating plans for addressing those needs.
- o Designing programs to carry out specific objectives.
- o Allocating resources consistent with the program plan.

Since it is my intention to fully utilize the significant resources of the Department, its Federal and contractor employees, and its national laboratories and research facilities to support the mission of this new organization, I asked the Director, IN, to establish an Intelligence Program Coordination Group. This group provides a forum for bringing together field perspectives and technical expertise in the evaluation of DOE intelligence programs to assist the Director, IN, in discharging his duties and responsibilities as the Senior Intelligence Officer of DOE.

Since the management oversight of intelligence work for other Federal agencies is spread across several Departmental Elements, I determined that these efforts must be centrally coordinated to guarantee effective DOE management oversight. I, therefore, assigned to the Office of Intelligence responsibility for developing specific intelligence-related "work for others" policies. Specifically, IN maintains the lead DOE role to address broad intelligence-related WFO policy issues, such as consistency of intelligence element programs with the DOE legislative authority/mission and the DOE facility mission, impact of intelligence programs on other assigned programs, uniqueness and non-competitive nature of activities, and long-term commitment. IN will also issue a DOE Intelligence WFO Procedural Guide to provide other members of the Intelligence community a rudimentary understanding of the guidelines and requirements governing the acceptance and execution of intelligence-related WFO programs.

I intend to be directly involved with the DOE intelligence activities and expect periodic briefings and reports.

Office of the Secretary of Energy Advisory Board.

On January 2, 1990, the Secretary of Energy Advisory Board (SEAB) was chartered to provide me advice on the research, development, energy, and national defense responsibilities, activities, and operations of DOE. The Board has a membership of approximately 30 distinguished individuals, reflecting a balance of expertise in the above-noted areas.

On July 5, 1990, the Office of the Secretary of Energy Advisory Board was established to direct, administer, and support the Board in its efforts. In addition to serving as the link between me, the SEAB, and other Departmental advisory committees (such as coordinating review of their taskings, membership, and reports), the office will coordinate the Department's long-range planning process.

The new office acts as the Department's long-range planning arm, and provides me with advice on a wide spectrum of long-range scientific, technological, environmental, economic, geopolitical, international,

national security, and strategic matters. The office is headed by an Executive Director who reports to me.

Field Counsel Oversight.

Effective August 2, 1990, I directed the Office of General Counsel to establish a new management and oversight organizational arrangement for the Offices of Chief Counsel and Chief Patent Counsel in the eight DOE Field Offices and the associated Area Offices (the "Field Counsel Offices").

It is essential that all matters of legal policy, analysis, and advice affecting the Department be fully coordinated by, and consistent with the views, of the General Counsel. The timely coordination of important legal issues and actions is critical to the effective functioning of the Department. Moreover, consistency in legal policy and analysis is essential to the formulation and proper execution of all policy decisions and actions taken by the Department. To accomplish these objectives, the General Counsel has established reporting procedures that will effectively coordinate and oversee the formulation of legal policy and advice in the Field Counsel Offices. All significant legal issues and actions taken in the field will be reported to, and coordinated with, the General Counsel or his designee.

To establish a clear line of authority between the Field Counsel Offices and the Office of General Counsel, I also directed the General Counsel to oversee and approve the selection, evaluation, and review of the Chief Counsel and the Chief Patent Counsel of each of the Field Counsel Offices. I directed the General Counsel to take these actions in order to clearly fix responsibility for legal matters within this important segment of the Department and to equip the General Counsel with the authority necessary to discharge this responsibility.

Appropriate documents were promulgated to implement this assignment of responsibility for accountability for Field Counsel activities.

DOE Richland Field Office Reporting Relationship.

As a further step in establishing my philosophy of installing clear lines of authority and accountability within the Department, I assigned overall management of the DOE Richland Field Office (RL), including responsibility for site and facilities, to the Assistant Secretary for Environmental Restoration and Waste Management (EM-1). Effective July 12, 1990, the Manager, RL, was assigned to report to EM-1, who coordinates with other PSOs to ensure their programs are effectively carried out at the Hanford Site. This action recognized that the major mission at the Hanford Site had become environmental restoration and waste management. Although the DOE Richland Field Office and Hanford Site have historically played an extremely important role in the Department's defense programs and nuclear energy research and development, their current roles placed greater emphasis on environmental restoration and ecological programs. Production operations have been redirected over recent years and are likely to continue to decline relative to EM activities.

Rocky Flats Office.

Effective July 1989, the Rocky Flats Office (RFO) was assigned to report to the Assistant Secretary for Defense Programs (DP-1). In assuming line

management oversight of the RFO and related contract supervision of the management and operating contractor, DP-1 is accountable for on-going operations at the site.

Within the office of DP-1, the Principal Deputy Assistant Secretary for Facilities (DP-6) is the Headquarters line management official responsible for safe resumption of plutonium operations at Rocky Flats.

The Manager, RFO, as the contracting officer, has full responsibility for executing the full range of contracting officer responsibilities and obtaining support as required from the DOE Albuquerque Field Office (AL). The Manager, AL, provides such support under provision of a Memorandum of Agreement signed by the two field managers and approved by DP-1.

Responsibility for directing the contractor rests solely with the Manager, RFO. Except for those matters that are the programmatic responsibility of EM-1, the Manager, RFO, will take direction only from the DP-6.

Actions of all other Departmental elements that involve or could involve direction to the Manager, RFO, including issuances of Departmental orders and other directives, shall be carried out through the DP-6.

EM-1 will provide direction directly to the Manager, RFO, on matters under EM's responsibility except that EM-1 will take no action that may affect production operations at the Rocky Flats Plant, as determined by the Manager, RFO, without the approval of DP-1. In the event that legal, public health, or worker safety is affected, DP-1 will be immediately notified.

Superconducting Super Collider Program.

Effective September 7, 1989, I directed the establishment of a new Headquarters element, the Office of the Superconducting Super Collider (OSSC), which reports to the Director of Energy Research (ER-1). The OSSC provides technical and managerial oversight of the SSC Laboratory Program and the accelerator activities.

I further authorized the establishment of an SSC Project Office (SSCPO) in Ellis County, Texas, headed by a Project Director. Subsequently, in June 1991, the Project Director was also designated Associate Director, OSSC. In this dual assignment, the Associate Director, OSSC, reports to me independently on matters such as the technical health of the project, progress against schedule milestones, and project cost estimates.

In order to provide for a fully integrated site office, I approved the delegation of all relevant authorities (personnel, procurement, security) to the Project Director, SSC Project Office. Continued supplemental administrative support for the SSC Project Office is provided by the DOE Chicago Field Office (CH), as described in the SSCPO/CH Memorandum of Agreement dated December 17, 1990.

New Production Reactors Project Management Offices.

To confirm that the Director of the Office of New Production Reactors (NP-1) retains responsibility within DOE for bringing new production reactor capacity on line, I directed that three dedicated New Production Reactors Project Management Offices (Barnwell County Project Management Office, Butte County Project Management Office, and the Benton County Project Management

Office), report to NP-1, effective October 5, 1989.

Office of Security Affairs.

In order to improve the safeguards and security posture of the Department, I directed the reassignment of security affairs functions to a new Office of Security Affairs (SA), reporting to the Under Secretary, effective April 1, 1991. However, DP-1 retained safeguards and security line functions in program and field offices, with assistance in carrying out these functions being provided by SA. Likewise, all other program and field offices retain those line safeguards and security functions presently assigned.

The transfer of functions excludes the International Branch within the Office of Safeguards and Security and the Technology Policy Division within the Office of Classification and Technology Policy, both of which remain in DP.

Appropriate resources and personnel from the Office of Deputy Assistant Secretary for Planning and Resource Management have been transferred to provide support to SA.

Headquarters/Field Reporting Relationships.

The comprehensive study of the organizational structures and management practices throughout the Department, which I tasked the Deputy Secretary and the Under Secretary to conduct beginning May 1989, has culminated in a significant change in "the way we do business" within the Department.

New reporting relationships have been established between the Headquarters and the field offices, and line management responsibility for program execution now rests with the Headquarters program managers. This initiative to further strengthen line management control and accountability is the linch pin with which I can assure the effective and efficient accomplishment of our programs while maximizing the utilization of Departmental resources.

Selected changes in assignments involving SR, RL, and RFO have already been made, and I have now directed that each remaining unassigned DOE Field Office report to a single PSO. In order to establish a frame of reference, definitions of program and field elements consistent with the new reporting relationships follow:

- o A Program Secretarial Officer (PSO) is a senior outlay program official and includes the Assistant Secretaries for Conservation and Renewable Energy (CE), Defense Programs (DP), Fossil Energy (FE), Nuclear Energy (NE), Environmental Restoration and Waste Management (EM) and the Directors of Energy Research (ER); Civilian Radioactive Waste Management (RW); New Production Reactors (NP).
- o A Lead PSO is the PSO assigned line management responsibility and accountability for Headquarters and field operations and to which one or more multi-program field offices report directly.
- o Department of Energy (DOE) (location name) Field Office (FO) is the current designation for the eight field offices formerly titled Operations Offices.

The following roles, responsibilities and operational philosophy will govern

the new reporting relationships:

- o The PSOs are accountable to me for their respective programs, including safety of the workers and the public, security, and environmental protection and compliance. They establish policies, program goals, and objectives for the administration/management of their program and its associated funding. They also provide programmatic and technical direction, as defined in respective management implementation agreements, to the FO, approve program implementation plans, and assess the status and quality of program implementation. They concur in the selection and appraisal of FO senior managers for their programs.
- o The Lead PSO is responsible for coordinating and resolving institutional and crosscutting issues: When necessary, the Lead PSO will elevate issues to the Secretarial level for resolution. In this capacity, the Lead PSO also serves as the focal point to coordinate and resolve with Headquarters organizations' activities that may have significant impact on the other PSOs' programs as carried out by the field office. Such activities could include Tiger Teams, Technical Safety Appraisals, OSE evaluations, and other similar appraisals, reviews, and studies requested or approved by Headquarters elements. The Lead PSO keeps the other PSOs informed of those commitments and the possible impact on the field office. This is in addition to the responsibility as PSO for their component programs.
- o The Field Office Manager is responsible to PSOs for implementation of programs in accordance with the goals and objectives established by the PSO and is accountable to the Lead PSO on institutional and crosscutting issues. He also provides administrative support for programs, and he (or his designee) serves as the Department's Contracting Officer and Fee Determining Official and conducts laboratory appraisals. He integrates the Department's outreach and compliance activities with respect to the States and regions where work is performed. (This definition also applies to other self-supporting field offices, such as Rocky Flats Office, SSC Project Office, SPR Project Office, and NPR Project Offices that report directly to a PSO.)
- o The Field Program Manager reports to the Field Office Manager but is also accountable to the appropriate PSO as defined in respective management agreements. He provides direction and guidance to contractors, oversight of contractor activities, development and coordination of implementation plans for approval of the PSO. He also provides the management and supervision of on-site Federal staff at sites and facilities. The on-site staff have contracting office representatives (COR), who are line officials with contractual authority as delegated by the Field Office Manager. The COR is the overall implementation and verification agent for DOE and provides the direct day-to-day oversight of the management and operating (M&O) contractor.
- o Manager/Director, Area/Site Office may report to the PSO, Field Office Manager, or the Field Program Manager but is also accountable to the appropriate PSO as defined in the respective management agreements. He assures day-to-day implementation, verification, and reporting of program activities and manages/directs the on-site staff as referenced in the paragraph above.
- o Contractors provide the overall expertise to determine how to most

effectively implement the Programs' goals and objectives that have been identified. They are the day-to-day "operators" of the facilities, or they provide for other special work under FO direction.

Effective with the publication of SEN-6D-91 on May 16, 1991, Lead PSO assignments, new office titles, and other reporting relationship changes are as follows:

o Department of Energy Field Office	Lead PSO	Notes
DOE Albuquerque Field Office	DP	(1)
DOE Chicago Field Office	ER	
DOE Idaho Field Office	NE	
DOE Nevada Field Office	DP	
DOE Oak Ridge Field Office	NE	(2)
DOE Richland Field Office	EM	(3)
DOE San Francisco Field Office	ER	
DOE Savannah River Field Office	DP	(3)

- Notes:
- (1) Production Area Offices will continue to report to AL (Amarillo, Dayton, Pinellas, Kansas City)
 - (2) SPRO will report directly to FE
 - (3) Change previously approved and already in effect

- o Line management responsibility for the Strategic Petroleum Reserve Project Office (SPRO) was transferred from the DOE Oak Ridge Field Office, to the Assistant Secretary for Fossil Energy (FE-1), effective June 1, 1991.
- o The Assistant Secretary for Conservation and Renewable Energy (CE-1) is responsible for management oversight of the Bonneville Power Administration (BPA) and the Western Area Power Administration (WAPA). With this consolidation, all five Federal Power Marketing Administrations (PMAs) now report to CE-1, who will encourage these PMAs to identify additional opportunities to display Federal leadership to public-owned and investor-owned utilities in the application of comprehensive utility planning practices and to promote innovative energy efficiency and renewable energy technologies.
- o Direct line supervision of the 10 field Support Offices (SO) administering the State and Local Assistance Programs (SLAP) was consolidated under CE, effective with the transfer of all SO personnel to CE on March 10, 1991. The responsibilities of the SOs have been significantly expanded to include responsibility for implementing and supporting CE programs; implementing DOE policies to increase energy efficiency in the buildings, industrial, transportation, and utility sectors of the assigned geographical area; and providing information on the requirements of these sectors for energy efficiency technologies. These responsibilities are in addition to their continuing administration of the statutory energy efficiency grant programs of DOE. Administrative support for the SOs will be provided by the DOE Chicago Field Office, consistent with the provisions of a joint MOA between this office and CE, effective February 6, 1991, which will be coordinated with ER. The DOE Chicago Field Office, is authorized to carry out the personnel management and administration activities for the SOs, effective with the joint MOA.

- o The National Renewable Energy Laboratory (NREL), formerly the Solar Energy Research Institute (SERI) Area Office reports directly to CE-1, with administrative support provided by the DOE Chicago Field Office, according to the provisions of an MOA to be negotiated between this office, CE, and ER. NREL is a single program laboratory performing research and development in support of energy efficiency and renewable energy technologies. This realignment gives CE-1 line management control and accountability for all NREL program operations, planning, and management activities.
- o Responsibility for the Argonne National Laboratory-West Project (ANL-W) was transferred from the DOE Chicago Field Office, to the DOE Idaho Field Office.

Implementation of the approved changes is to be accomplished within the following general guidelines:

- o Recognizing the interdependent nature of the PSOs working through the Field Offices, a primary Memorandum of Agreement (MOA) defining roles, responsibilities, reporting relationships, and conflict resolution procedures is negotiated by the Lead PSO and the field office. Further specification of the working relationships is made by incorporating as appendices to the primary MOA any additional tri-party agreements (among the other PSOs, field offices, and Lead PSO) that establish an understanding of work to be performed for other PSOs. In addition, the MOA defines the role of the Field Program Manager(s) who reports to the Field Office Manager but who is also accountable to the PSO whose program is involved. The implementing MOA must also address budgeting and accounting responsibilities even if no change is required; PSOs shall work with the Chief Financial Officer as mandated by Pub. L. 101-576 in this regard.
- o Institutional oversight responsibility for multi-program laboratories will be as identified in the following table. DOE 5000.1A, INSTITUTIONAL PLANNING BY MULTI-PROGRAM LABORATORIES will be updated to reflect these responsibilities.

Laboratory	Institutional Oversight
Lawrence Livermore National Laboratory	DP
Los Alamos National Laboratory	DP
Sandia National Laboratory	DP
Idaho National Engineering Laboratory	NE
Argonne National Laboratory	ER
Brookhaven National Laboratory	ER
Lawrence Berkeley Laboratory	ER
Oak Ridge National Laboratory	ER
Pacific Northwest Laboratory	ER

- o Where appropriate, DOE on-site offices will be established at DOE laboratories. The DOE on-site staff will report through the field office, function as the contracting officer's representative, serve as overall implementation and verification agent for DOE, and provide day-to-day management oversight of the contractor. All PSOs/field

offices that have DOE laboratory responsibilities shall determine and achieve the appropriate level of DOE on-site presence; clarify the roles, authorities, purpose and relationships of DOE Headquarters, field offices, and other field office personnel; and incorporate the clarifications into the implementing MOA.

- o The Lead PSO concept is applied to the administrative management process as well. The Offices of Procurement, Assistance, and Program Management; Chief Financial Officer; and Administration and Human Resource Management relate functionally through the Lead PSOs/PSOs except where inconsistent with the Office of Federal Procurement Policy Act Amendments of 1983 (P.L. 98-191), Section 16, dated December 1, 1983; the Federal Procurement Reforms (Executive Order 12352) of March 17, 1982; the Chief Financial Officers' Act of 1990 (P.L. 101-576), dated November 15, 1990 (to be implemented through issuance of a DOE Notice); and other laws, regulations, and orders covering administrative management matters. This arrangement provides a focal point for coordinating support needed to implement various programs at each field office.
- o Federal manpower resource management procedures are modified to provide for increased PSO control over and accountability for the acquisition and deployment of full-time equivalent (FTE) staff years necessary for achieving program management goals.
 - o PSOs, including Lead PSOs, are responsible for budgeting for all FTEs (headquarters and field) needed to carry out their assigned programs. Field FTE requests are submitted to the Department, i.e., the Office of Administration and Human Resource Management (AD), by each PSO, with the concurrence of other appropriate Lead/participating PSOs and the managers of the Field Offices.
 - o Lead PSOs are responsible for providing administrative and overhead support at their field offices and for ensuring that these functions are appropriately staffed. It is critical that all other PSOs who have programs assigned to a particular field office keep that Office Manager and the Lead PSO fully informed of any changes in their program execution plans that would affect the nature or level of support required. No changes to the appropriation/budget structure for these activities should be made without concurrence of the Chief Financial Officer.
 - o The Department, through AD, allocates approved FTE levels to PSOs, who suballocate FTEs to their subordinate Headquarters components, field offices, and other field elements. Suballocations of FTEs to field elements that report to another PSO are to be consistent with management agreements covering conditions under which work is accepted and performed for other PSOs.
- o Funding of the landlord function will change beginning in FY 1993. The Lead PSO will determine a proper funding level for landlord programs and will advise other PSOs of their share of the total for inclusion in their FY 1993 budgets. This allows the Lead PSO to assure the adequacy of the overall funding for non-program specific site requirements. Issues will be resolved during the Internal Review Budget process.
- o As part of my efforts to promote accountability in all aspects of the

Department's activities, I am requiring that PSOs establish internal controls and tracking systems to ensure that on-site review and audit findings are considered in the contractor award fee determination process. The PSOs will require that contractors respond to all on-site review findings and responses will be tracked. In addition, PSOs will ensure that contractor responses to previous review findings are considered in all follow-up on-site reviews.

- o PR-1 will take a more active role in matters relating to contract administration with respect to:
 - o PR will increase the, emphasis on the business management aspects of the management and operation of DOE laboratories, including strengthening the DOE Contractor Procurement System Review function with a special focus on subcontract administration. Also, added attention will be provided to laboratory personal property management, construction project management, laboratory controls, and the authorization process for both direct and indirect costs.
 - o PR has been tasked to evaluate a means for achieving consistency and quality in the administration of the DOE research grants and contracts, including consideration of a more centralized approach for the award and management of them. A study was performed of the Office of Energy Research's (ER) procurement program, in consultation with ER, with the objective of consolidating award responsibilities. ER is finalizing an Action Plan to consolidate their procurement program. As a minimum, each awarding office will be evaluated by PR's compliance review teams where business management shortcomings are found, a program to enhance the administrative oversight by each awarding office will be developed and monitored by PR for implementation.

Special Assistant to the Secretary for Space Programs.

To assure effective coordination and oversight of an expanding DOE role in the Nation's space program, I have approved a plan, described below, for directing DOE space capabilities in support of national space and energy requirements and for evolving the Headquarters organization of key space functions toward that end.

- o Effective April 1, 1991, I established a position of Special Assistant to the Secretary for Space to develop space policy, plans, and budgets for the Department and to work with other agencies in defining the appropriate role for the Department in the Nation's space program. This action demonstrates my commitment to applying the tremendous talent in the DOE national laboratories to meet emerging national needs.
- o Effective October 15, 1991, I incorporated the functions of the Special Assistant into an Office of Space that reports to my Science and Technology Advisor. This Office is responsible for developing space policy and providing technical coordination of DOE space-related activities.

Energy Policy, International Affairs and Energy Emergencies Functions.

In recent months we have witnessed dramatic changes in the international political environment, including the Persian Gulf Crisis and changes in the

former Communist Bloc countries. Many of these changes affect the mission of the Department. In response to these changes, I have directed that several organizational changes be made which affect the mission and functions of the Assistant Secretary for International Affairs and Energy Emergencies (IE), the Assistant Secretary for Defense Programs (DP), and the Office of Policy, Planning and Analysis. These changes were designed to focus top-level attention and improve the management of the realigned activities.

- o Office of Arms Control and Nonproliferation. Recent events have increased the importance to the United States of nonproliferation issues. I believe it is important that the Department of Energy play an active and effective role in ensuring international security and stability. On October 11, 1991, I directed the Under Secretary to consolidate the nonproliferation activities of IE and the nonproliferation and arms control activities of the Assistant Secretary for Defense Programs (DP) in a new Office of Arms Control and Nonproliferation.
- o Office of Emergency Planning and Operations. During the Persian Gulf crisis, we witnessed first hand the importance of the Department's emergency preparedness activities, I believe it is essential that DOE have a well coordinated and developed emergency planning and operations function. Therefore, on November 8, 1991, I directed the Under Secretary to consolidate the energy emergency activities of IE and the emergency planning and operations activities of DP in a new Office of Emergency Planning and Operations.
- o Office of the Assistant Secretary for Domestic and International Energy Policy. As a final step in the realignment of the IE functions, on January 28, 1992, I approved the consolidation of the remaining function's of IE, consisting of international affairs and export assistance activities, with those of the Office of Policy, Planning and Analysis (PE) in a new Office of the Assistant Secretary for Domestic and International Energy Policy. This will ensure that the President's foreign policy agenda and domestic energy policy, including the National Energy Strategy, are properly coordinated and effectively advanced through the international activities of the Department.
- o Abolishment of the Office of the Assistant Secretary for International Affairs and Energy Emergencies and the Office of Policy, Planning and Analysis. Effective with implementation of the actions described above, the Office of the Assistant Secretary for International Affairs and Energy Emergencies and the Office of Policy, Planning and Analysis are abolished.

Implementation Follow-up.

The Deputy Secretary will continue any necessary implementation planning to fully accomplish recently approved changes. This requires the coordination of general operating policy and assuring consistent implementation of changes by PSO and field offices. In addition, departmental policy directives and institutional documentation of functions and authorities will be amended to reflect the changes outlined in this revised notice.

Naval Nuclear Propulsion Program Exclusion.

The changes set forth in this Notice and subsequent implementing actions do not apply to, or alter, the responsibilities, policies or practices of the Naval Nuclear Propulsion Program.

JAMES D. WATKINS
Admiral, U.S. Navy (Retired)