



The Deputy Secretary of Energy
Washington, DC 20585

August 4, 2016

MEMORANDUM FOR HEADS OF DEPARTMENTAL ELEMENTS

FROM: ELIZABETH SHERWOOD-RANDALL 

SUBJECT: Oversight of Departmental Requirements

In February 2016, the Laboratory Operations Board sponsored a workshop to examine the Department of Energy's (DOE) current approach to requirements management in response to findings of the Commission to Review the Effectiveness of the National Energy Laboratories (CRENEL). The workshop participants, including senior-level employees from DOE headquarters, site offices, and laboratories, concluded that the existing fragmented system does not provide the strategic framework needed to support achievement of the Department's mission. The participants recommended that a senior level council be established to consider the need for requirements and provide strategic direction for development of specific directives. As a result, the following improvements are being implemented.

Oversight and Management of the Departmental Directives and Requirements

The newly established DOE Operations Committee, chaired by the Deputy Under Secretary for Management and Performance, will provide strategic oversight and senior-level direction in the evaluation of the need for new or updated directives and other Departmental requirements¹ and the prioritization of those requirements. In particular, the Operations Committee will review the justification and need for requirements, and provide direction to ensure that the promulgation of requirements is evaluated with respect to mission relevance and impact. Further, it will appropriately prioritize next steps to promote mission achievement.

Specifically, the DOE Operations Committee will:

1. Review and Approve Requirements Priorities: The Directives Review Board (DRB) will propose and the DOE Operations Committee will approve a prioritized 12-month schedule for requirements development on a semi-annual basis.

¹ In the paragraphs below, "requirements" refer to Directives. Going forward, the DOE Operations Committee may define what scope of requirements beyond Directives it may address.



2. Review and Approve Justification for New Requirements: The DRB will recommend and the DOE Operations Committee will determine the need for new or revised requirements. The request to the DOE Operations Committee, in the form of a Justification Memorandum, shall include: (1) the reason for a new or amended requirement, including the connection to mission need; (2) the required outcome from the new requirement; and (3) an analysis of risk/cost impact. In the event of a disagreement within the DRB, the DRB will present options for the DOE Operations Committee to consider.
3. Establish Senior-level Expectations for Requirements: The DRB will propose and the DOE Operations Committee will approve the senior-level expectations and the desired end-state.
4. Provide Guidance for the DRB: The DOE Operations Committee may provide additional guidance to the DRB, such as to consolidate the means of promulgating requirements and to ensure that Secretarial memoranda or other requirements are either instituted into the Directives system or sunset, as appropriate.

Relationship to the Directives Review Board

The DRB will continue to serve as the operational element of the Department's requirements development and review process. The DRB is chaired by the Director, Office of Management.

Members of the DRB include two senior-level representatives designated by each of the three Under Secretary offices, reflecting program organization leadership in developing requirements. The DRB membership also will include senior-level representatives from the Office of Environment, Health, Safety, and Security (AU) and the Office of the General Counsel (GC). In addition, a representative from the National Laboratory Chief Operating Officers (M&O employee) and the Chair of the Field Management Council (FMC) may participate in the discussions of the DRB in a non-voting capacity. Other Federal or M&O contractor employees may participate in DRB meetings, with approval of the DRB Chair, to provide input on a specific topic.

The DRB Chair and the DOE Operations Committee Chair will ensure connectivity between the actions of the DOE Operations Committee and the DRB. In the event of an impasse at the DRB, the DRB Chair will notify the DOE Operations Committee, conveying any minority views from DRB members.

Reporting to the Deputy Secretary

As Chair of the DOE Operations Committee, the Deputy Under Secretary for Management and Performance will work closely with the Deputy Secretary in her/his capacity as Chief Operating Officer of the Department, and will provide regular updates, at least quarterly, on the need for and status of new or updated Directives or other requirements.

Next Steps

This memorandum is effective immediately. Its direction will be integrated into DOE Order 251.1C, *Departmental Directives Program*, no later than one year from the effective date. At that time, this memorandum will be retired and archived.