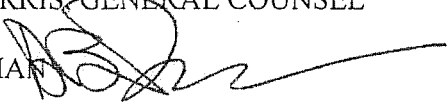


The Deputy Secretary of Energy  
Washington, DC 20585

March 16, 2010

MEMORANDUM FOR KRISTINA M. JOHNSON, UNDER SECRETARY OF ENERGY  
STEVEN E. KOONIN, UNDER SECRETARY FOR SCIENCE  
THOMAS P. D'AGOSTINO, UNDER SECRETARY FOR  
NUCLEAR SECURITY  
GLENN S. PODONSKY, CHIEF HEALTH, SAFETY AND  
SECURITY OFFICER  
INGRID A. C. KOLB, DIRECTOR, OFFICE OF MANAGEMENT  
SCOTT BLAKE HARRIS, GENERAL COUNSEL

FROM: DANIEL B. PONEMAN   
SUBJECT: Department of Energy 2010 Safety and Security Reform Plan

The Department has recently developed the attached end-state vision for safety and security reform, which will guide our efforts to enhance productivity and achieve the Department's mission goals while maintaining the highest standards of safe and secure operations at Department of Energy facilities. It is imperative that we initiate the necessary actions quickly to attain this end state in 2010.

In 2009, the Office of Health, Safety and Security (HSS) began reforming its approach to enforcement and oversight by recognizing line management's responsibility for safety and security, reviewing opportunities for streamlining requirements, and eliminating directives that do not add value to safety and security. I have tasked HSS to continue this reform path, but they will need your input, cooperation and support. Therefore, please assure that senior managers and key staff from your Headquarters and field organizations are working closely with HSS to achieve our common goals.

The attached Plan outlines actions and milestones that require your attention. I recognize that this is a major effort and will involve the timely commitment of valuable resources, but your support, as well as input from the Defense Nuclear Facilities Safety Board and our stakeholders, is vital to our success.

Success will be measured through near-term relief from specific low-value burdensome requirements as well as longer-term streamlining of requirements that will lead to measurable productivity improvements. Please keep me informed of our progress and to alert me in a timely manner of any impasse that needs my attention.

Attachments



cc: Ines Triay, EM-1  
William Brinkman, SC-1  
Pete Miller, NE-1  
James Markowsky, FE-1  
Cathy Zoi, EE-1  
David Geiser, LM-1  
Mike Weis, PNSO, FMC Chair  
Jeff Smith, ORNL, Deputy Director  
Al Romig, SNL, Deputy Director  
Adam Cohen, PPPL, NLDC Executive Secretary

### **End-State Vision for Safety Reform**

To enhance productivity and achievement of mission goals, while maintaining the highest standards of safe operations at DOE facilities through the development, implementation, and assurance of effective, streamlined, and efficient safety policies and programs.

**Safety Performance:** Contractors are provided the flexibility to tailor and implement safety programs in light of their situation without excessive Federal oversight or overly prescriptive Departmental requirements.

**Safety Responsibilities:** To facilitate effective mission accomplishment, decision-making authorities are pushed to the lowest appropriate level of contractor and Federal management, considering hazards, risks, and performance history. Authority and accountability for safety rests with line management, including responsibility for and oversight.

**Safety Requirements:** DOE worker safety requirements are based upon existing national standards, with internally-derived requirements developed to address unique DOE conditions. DOE's regulatory requirements for occupational safety and health are founded on regulations promulgated by the Occupational Safety and Health Administration (OSHA), invoke current national standards to address outdated aspects of OSHA regulations, and establish or invoke requirements to address unique DOE workplace hazards. The Department's corporate approach for maintaining the highest standards of safe operations is promoted through its Integrated Safety Management Policy, DOE P 450.4, *Safety Management System Policy*, and implemented by contractors through Department of Energy Acquisition Regulation Clause 970.5223-1, *Integration of Environment, Safety and Health into Work Planning and Execution*.

**Safety Assurance:** The Department's contractors maintain an assurance system that provides reliable measurement of the effectiveness of their safety management systems and facilitates timely corrective actions to system or performance weaknesses.

**Regulatory Oversight and Enforcement:** HSS's approach to safety regulatory oversight and enforcement supports line management's efforts to affect the conduct and priorities of their contractors. Oversight is focused on safety performance. Oversight inspections and enforcement actions are prioritized for contractors with poor safety records and serious or recurring violations, and are consistent with approaches and penalties employed by OSHA and the Nuclear Regulatory Commission.

## **End-State Vision for Security Reform**

To enhance productivity and achievement of mission goals, while protecting sensitive information, technologies, and materials through the development, implementation, and assurance of effective, streamlined, and efficient security policies and programs.

**Security Performance:** Contractors are provided the flexibility to tailor and implement security programs in light of their situation and to develop corresponding risk- and performance-based protection strategies without excessive Federal oversight or overly-prescriptive Departmental requirements.

**Security Responsibilities:** To facilitate effective mission accomplishment, decision-making authorities are pushed to the lowest appropriate level of contractor and Federal management, considering vulnerabilities, risks, and performance history. Authority and accountability for security rests with line management, including responsibility for oversight.

**Security Requirements:** DOE security strategies are based upon legally mandated requirements, national standards developed by peer agencies, a rational threat assessment, and internally derived requirements developed to address unique DOE security risks. DOE-unique security requirements are streamlined, non-redundant, focused on desired performance outcomes, and tailored to specific mission and site risks. DOE security requirements are standardized where necessary to support interoperability and cost savings.

**Security Assurance:** The Department's contractors maintain an assurance system that provides reliable measurement of the effectiveness of their security programs and facilitates timely corrective actions to system or performance weaknesses.

**Regulatory Oversight and Enforcement:** HSS's approach to independent oversight and regulatory enforcement supports line management's efforts to affect the conduct and priorities of their contractors. Oversight is focused on security performance. Oversight inspections and enforcement actions are prioritized for contractors with serious or recurring violations of security requirements, with penalties commensurate with potential harm to national security and with those imposed by peer agencies.

## DOE 2010 SAFETY AND SECURITY REFORM PLAN

### Background

In 2009, the Office of Health, Safety and Security (HSS) began working to reform its enforcement and oversight approach, recognizing line management's significant responsibility for safety and security. To date, this approach has resulted in (1) increased coordination of enforcement actions with line management, (2) working with the Field Management Council (FMC) to understand where reform in its oversight and enforcement practices is needed, (3) suspending independent oversight of low-hazard operations and lower-value security assets, except for those cases where site performance requires increased attention, and (4) maintaining rigorous and informed oversight of high-hazard operations or high-value security assets.

In November 2009, following the safety and security reform studies directed by the Deputy Secretary, HSS began a disciplined review of all HSS directives, including a systematic review of the Department of Energy safety and security regulatory model (which includes both DOE directives and regulations). As a result, HSS identified 24 directives for potential cancellation (subject to consultation with the Program Offices, including the Central Technical Authorities). HSS has also developed approaches for safety and security disciplines that are expected to result in more than a 50 percent reduction in the number of existing safety and security directives for which HSS is the Office of Primary Interest.

### Priority Actions and Milestones

The Department is setting the following safety and security reform goals and target milestones. The Department leadership team expects senior managers of Headquarters and field organizations actively to support these challenging efforts. Specifically, leadership of each Headquarters and field organization will need to ensure the timely and efficient engagement of appropriate managers and staff at all levels of the organization as needed to support HSS in achieving the actions listed below.

Action	Milestones
<b>Process:</b> Initiate directives process changes to support the pace of this reform effort and require a rapid (3-day) escalation for impasse (veto) resolution.	March 2010
<b>Outreach:</b> Develop an outreach plan that will engage, inform and enlist the support of DOE internal and external stakeholders, (including the Defense Nuclear Facilities Safety Board) throughout this reform effort to achieve our end-state vision. Outreach includes a roundtable discussion with the Deputy Secretary, Under Secretaries, and various worker unions in March.	March 2010
<b>Security Near-term:</b> Provide relief from specific burdensome security	March 2010