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Washington, DC 20585

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MEMORANDUM FOR INGRID A.C. KOLB
DIRECTOR
OFFICE OF MANAGEMENT

THROUGH: KEVIN T. HAGERTY
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FROM: GLENN S. PODONSKY
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SUBJECT: Notice of Intent to Revise Department of Energy Guide 226.1-2, *Federal Line Management Oversight of Department of Energy Nuclear Facilities*

PURPOSE: This memorandum provides justification for revision of Department of Energy (DOE) Guide (G) 226.1-2, *Federal Line Management Oversight of DOE Nuclear Facilities*. This revision will incorporate new content devoted to Federal oversight and evaluation of the effectiveness of activity-level work planning and control (WP&C) at Hazard Category 1, 2, and 3 nuclear facilities. The new content will: (1) be designed to measure the effectiveness of contractors' WP&C systems and identify situations in which the desired outcome is not achieved; (2) contain a clear set of expectations and criteria to evaluate the effectiveness of contractors' WP&C processes in ensuring safe and effective work activities; and (3) share best practices, rather than promote a single acceptable approach to oversight of WP&C. This revision of G 226.1-2 will also provide guidance (e.g., graded approach, tailoring) for applying a new set of WP&C criteria review and approach documents (CRADs) currently under development.

JUSTIFICATION: Activity-level WP&C is at the core of DOE's Integrated Safety Management (ISM) system. For more than 15 years, ISM has served as DOE's overarching framework for safely planning, executing, and monitoring work activities. This revision to G 226.1-2 is necessary to fulfill DOE's ISM commitment to continuously improve its ISM system and to execute the Deputy Secretary's commitment to develop a DOE Guide on Federal oversight and evaluation of the effectiveness of activity-level WP&C, as stated in his letter of November 30, 2012, to the Defense Nuclear Facilties Safety Board (DNFSB) (attachment 1). The inclusion of WP&C

Beben Reed 3/18/2013

CRADs also meets the Deputy Secretary's commitment. The following are recent continuous improvement milestones:

• DOE updated the ISM set of directives such that all worker safety and health policies were integrated under the ISM umbrella policy, and Federal requirements and roles, responsibilities, and authorities for safety were integrated into a single ISM Order (DOE O 450.2, *Integrated Safety Management)*, April 25, 2011. Shortly thereafter, DOE updated DOE G 450.4-1C, *Integrated Safety Management Guide,* dated September 29, 2011, which includes DOE expectations and guidance related to development and implementation of ISM work planning and control.

• DOE updated Federal line management oversight guide DOE G 226.1-2, *Federal Line Management Oversight of Department of Energy Nuclear Facilities,* dated June 21, 2012, provides guidance on (1) maintaining operational awareness and evaluating safety performance; (2) evaluating the effectiveness of Federal line management safety oversight programs and functions; (3) Central Technical Authority and Chief of Nuclear Safety/Chief of Defense Nuclear Safety oversight of all management levels; and (4) managing issues and corrective action management systems.

The above milestones also fulfilled the following commitments that DOE made to DNFSB (Board):

(1) DOE's Implementation Plan responded to Board Recommendation 2004-1, *Oversight of Complex, High-Hazard Nuclear Operations* (October 12, 2006, letter from Secretary of Energy Samuel W. Bodman to DNFSB Chairman A. J. Eggenberger, **http://www.hss.energy.gov/deprep/2006/TB06O12A.PDF)**; and

(2) Deputy Secretary's memorandum dated April 19, 2011, giving approval to update DOE's Oversight Policy and Order, included a commitment that the Department would issue an oversight guide (attachment 2).

The new content in this proposed revision to G 226.1-2 will be useful to DOE program offices responsible for DOE's Hazard Category 1, 2, and 3 nuclear facilities—National Nuclear Security Administration, Office of Environmental Management (EM), Office of Science, and Office of Nuclear Energy. Representatives of these programs are on working groups that will draft the new content. Also on the team are representatives of the Office of Health, Safety and Security (HSS). The EM representative will lead the team.

There are no valid external, consensus, or other standards (e.g., International Organization for Standardization, Voluntary Protection Program, etc.) available that can be used in place of the new content that will be added to G 226.1-2.

IMPACT: The proposed revision to G 226.1-2 does not duplicate existing laws, regulations, or national standards, and it does not create undue burden on the

Department. It will provide guidance for Federal organizations conducting oversight that will result in enhanced safety and mission efficiency at DOE's nuclear facilities. Additional impacts of this proposed revision are provided in the completed risk analysis tool (attachment 3).

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Ingrid Kolb, Director, Office of Management (MA-1):
Concur: _____ Nonconcur: _____ Date: 4-4-13

SCHEDULE FOR DIRECTIVES DEVELOPMENT:
The requested 120 days for draft development deviates from the standard 60 days. The additional time is needed because of the complexity of developing new guidance that is compatible with many existing directives and carefully verifying the absence of confusion and inconsistencies.

Standard Schedule for Directives Development	Days
Draft Development	120
Review and Comment	30
Comment Resolution	30
Final Review	30

Attachments

Risk Identification and Assessment

Revision of DOE Guide G 226.1-2 Federal Line Management Oversight of DOE Nuclear Facilities

Risk	Probability	Impact	Risk Level
People			
1. Worker illness or injury.	Possible	Low	Moderate
Mission			
2. Lost time-worker recovering at home.	Possible	Low	Moderate
3. Lost productivity-mission on hold awaiting corrective actions.	Possible	Low	Moderate
4. Lost productivity-conducting accident investigations; frequently revising procedures.	Possible	Low	Moderate
Assets			
5. Damaged facilities and equipment.	Possible	Low	Moderate
Financial			
6. N/A			
Customer and Public Trust			
7. Local community resistance to missions borne out of fear that DOE is unable to control hazards.	Possible	Low	Moderate

Gap Analysis of Existing Risks and Controls

Laws	
External Regulation	
DOE Regulation	• DOE Acquisition Regulations (DEAR), 48 CFR 970.5223-1, *Integration of Environment, Safety, and Health into Work Planning and Execution*
DOE Orders	• DOE Order 226.1B, *Implementation of Department of Energy Oversight Policy* • DOE O 227.1, *Independent Oversight Program* • DOE 0 450.2, *Integrated Safety Management*
Contract Controls	
External Assessments	• Defense Nuclear Facilities Safety Board on-going assessments.

Risk Mitigation Techniques

[Use the risk mitigation techniques and guidance within the attached reference to fill out the chart below. List all risks that have been identified in the gap analysis. When examining the relative cost-benefit of a proposed control be careful to notice situations where a risk-specific control may also (directly or indirectly) address a separate risk identified in the gap analysis.]

Risk Assessment for *Revision of DOE Guide G 226.1-2 Federal Line Management Oversight of DOE Nuclear Facilities*					
Risk/Opportunity	**Risk Level**	**Potential Cost/Benefit**	**External Control(s)**	**Proposed Mitigation Technique**	**Internal Control (if needed)**
Worker illness or injury.	Moderate	Harm to workers		Monitoring	
Lost time-worker recovering at home.	Moderate	Mission inefficiencies		Monitoring	
Lost productivity-mission on hold awaiting corrective actions.	Moderate	Mission inefficiencies		Monitoring	
Lost productivity-conducting accident investigations; frequently revising procedures.	Moderate	Mission inefficiencies		Monitoring	
Damaged facilities and equipment.	Moderate	Mission inefficiencies; replacement		Monitoring	

		and repair costs			
Local community resistance to missions borne of fear that DOE is unable to control hazards.	Moderate	Could result in political pressure to curtail missions		Monitoring	