

## The Secretary of Energy

Washington, DC 20585

January 17, 1996

The Honorable John T. Conway  
Chairman  
Defense Nuclear Facilities Safety Board  
625 Indiana Avenue, N.W.  
Suite 700  
Washington, D.C. 20004

Dear Mr. Chairman:

On October 11, 1995, the Defense Nuclear Facilities Safety Board issued Recommendation 95-2, Safety Management, to the Department of Energy. The Department shares the concerns that prompted the Board to formulate its recommendation. Like you, we are committed to conducting our work efficiently and in a manner that ensures protection of workers, the public and the environment. Over the past three years, we have developed and implemented a number of systems that are designed to achieve an acceptable level of safety throughout Departmental operations. These systems are designed to achieve the following objectives:

- enhance our ability to plan and execute work, identify the hazards associated with specific operations and activities, and control or eliminate such hazards in an appropriate and cost-effective manner;
- clarify our expectations for the work to be accomplished and the level of environment, safety and health protection to be established and to do so in a manner that is not overly prescriptive but allows contractors to exercise the best means of meeting these expectations;
- establish clear roles and responsibilities for protection of environment, safety and health throughout the Department and our contractor corps;
- shift the focus of attention from "paper requirements" and documentation to a disciplined, analytical and collaborative focus on work planning, hazards analysis and hazards control; and
- establish analytical bases for setting risk-based management and project priorities.

Key among these policy initiatives and programs are directives reform, the Necessary and Sufficient Closure Process, including the companion process relating to Standards/Requirements Identification Documents, and contract reform, including performance-based contracting.

In developing and implementing these safety systems, we have recognized that the size and diversity of the Department's organization and operations do not permit a "one-size-fits-all" approach to management. Further, the need for the Department's Headquarters program managers to be responsible and accountable for establishing environment, safety and health policies and management systems must be balanced against the practical imperative to provide field operations and contractors sufficient flexibility to accomplish their missions effectively. Finally, in this period of severely constrained resources, it is critical that management systems ensure that we are attending to our most significant risks to environment, safety and health, that resources dedicated to environment, safety and health are both adequate and appropriate to the attendant level of risk throughout the complex, and that hazard control be achieved in a cost-effective manner.

The Department accepts Recommendation 95-2 as follows:

1. The first subpart of Recommendation 95-2 calls for the Department to institutionalize the process of incorporating into the planning and execution of every major defense nuclear activity involving hazardous materials those controls necessary to ensure that environment, safety and health objectives are achieved. We accept this Recommendation. While we believe that we have accomplished a great deal in this regard, we are committed to further improvements as evidenced by our ongoing safety management initiatives and recognize the need to further institutionalize the process of incorporating environment, safety and health considerations into the planning and execution of all activities at our facilities.

The task of institutionalizing the process includes incorporation in work planning of the "Necessary and Sufficient Closure Process," along with other relevant processes, such as the process for Standards/Requirements Identification Documents.

2. Subpart 2 calls for the conduct of all operations and activities within the defense nuclear complex or the former defense nuclear complex that involve radioactive and other substantially hazardous materials to be subject to management plans that

are graded according to the risk associated with the activity. We accept this portion of the Recommendation.

We cannot accept the portion of subpart 2 which calls for "Safety Management Plans" to be "structured on the lines" of certain Board Technical Documents. As stated above, we are committed to the development of effective safety plans which reflect the diversity of the Department's operations and the need for a flexible approach to these activities. We stand ready to work closely with the Board as we refine our approach to subpart 2, but the Department is not able to accept this part in all of its detail.

3. Subpart 3 calls for the Department to prioritize its facilities and activities according to their hazard and their importance to defense and cleanup programs. We accept this portion of the Recommendation because for both safety and budget formulation reasons, the Department always will need an effective understanding of its priorities.

The Department cannot accept the portion of subpart 3 that calls for the development of priorities "following the process of Section I of DNFSB/TECH-6," relating to the revised Standards/Requirements Identification Document process, and Safety Management Plans. To be useful, any such new list of prioritized facilities and activities must reflect other current initiatives underway in the Department and should not be carried out exclusively for the purpose of focusing the transition from implementation programs related to Board Recommendations 90-2 and 92-5. Again, the Department stands ready to work with the Board to seek a common understanding of an acceptable approach to this subpart.

4. Subpart 4 calls for the Department to promulgate requirements and associated instructions (Orders/Standards) which provide direction and guidance for the process defined in subpart 1, including responsibility for carrying it out. It also recommends that these requirements and associated instructions be made a contract term. We accept these portions of the Recommendation.

The Department cannot accept that portion of subpart 4 that would impose as a "model" for this process a specific Departmental Order relating to

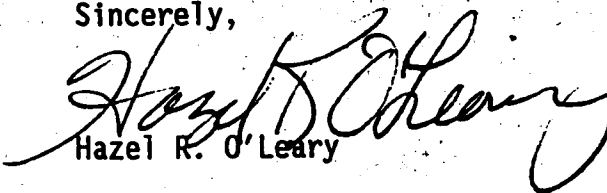
Operational Readiness Reviews. This "model," which has proven quite effective for start-up and re-start of high hazard nuclear facilities, may simply prove to be inappropriate for all activities covered by this subpart.

5. The Department accepts subpart 5 of Recommendation 95-2 and will continue to take measures to ensure that we have or will acquire the technical expertise to implement effectively our integrated safety management process.

The Department's initiatives and programs to improve safety management are at various stages of maturation, implementation and institutionalization. We are mindful of our responsibility to keep the Board apprised of the direction and progress of these undertakings and are appreciative of the time and attention that Board Members and staff already have devoted to reviewing and consulting with Departmental management and staff on several of the initiatives and programs.

It is our intent to work closely with the Board and any individuals identified by the Board as the Department prepares its plan to develop this integrated safety management process. We also look forward to further discussions with the Board to determine how we may best accomplish our mutual objectives and responsibilities in these matters.

Sincerely,



Hazel R. O'Leary