



**Department of Energy**  
**National Nuclear Security Administration**  
Washington, DC 20585

May 3, 2001

OFFICE OF THE ADMINISTRATOR

The Honorable John W. Warner  
Chairman  
Committee on Armed Services  
United States Senate  
Washington, D.C. 20510

Dear Mr. Chairman:

Section 3153 of the National Defense Authorization Act for Fiscal Year 2001 calls for "a plan for assigning roles and responsibilities to and among the headquarters and field organizational units of the National Nuclear Security Administration." I respectfully submit the enclosed report, entitled *The Plan for Organizing the National Nuclear Security Administration (NNSA)*, pursuant to this requirement.

As a first step toward implementing this Plan, on March 14, 2001 I announced my intention to realign the NNSA's organizational structure to improve performance of our core mission: to strengthen national security and reduce the global threat from weapons of mass destruction through applications of science and technology.

My planned organizational structure requires two changes to the NNSA enabling legislation, the National Nuclear Security Act (50 U.S.C. 2401-2484). First, legislation would be needed to establish the position of Principal Deputy Administrator as a Presidential appointee, subject to Senate confirmation. Second, to provide the Administrator the necessary flexibility to determine to whom the field elements (in particular, the NNSA management and operating contractors) should report, Section 3214(c) of the Act should be repealed.

As described in the enclosed report, the offices that now constitute the NNSA will be realigned into "program" and "support" components, as is the practice in many large public and private sector enterprises. The "program" components, Defense Programs and Defense Nuclear Nonproliferation, will focus on defining and advocating the most effective means of accomplishing our mission. The two new "support" components, Facilities and Operations, and Management and Administration, will focus on the enabling functions that are critical to mission success. This will ensure that certain functions, like safeguards and security management, safety management, infrastructure and project management, personnel matters, and the planning and budgeting process, will now have the dedicated management attention they need. It should be noted that, although part of the NNSA, the Naval Reactors component will remain separately managed, as specified in the National Nuclear Security Act.



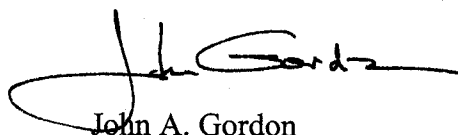
Detailed descriptions of the components that comprise the new NNSA are presented in this report. For each component, we provide the following information: the mission and core functions and its major sub-components, key relationships internal and external to the NNSA, and anticipated changes in structure and staffing.

Contained within this report is the first phase of a comprehensive strategy designed to help NNSA become a fully operational, semi-autonomous agency as envisioned in our enabling legislation. This first phase focuses on improving the effectiveness of NNSA processes, procedures, and management practices within Headquarters. We expect this phase to take approximately seven months. The second phase of work will focus on improving the efficiency of operations. In addition, this phase will involve implementing a plan for ensuring that our Headquarters and field elements work in concert, with clarity concerning their respective roles and responsibilities. Therefore, this report contains a charter for an expert group which will advise me on options for addressing key management and structural issues in the relationship between Headquarters and field elements.

This submission should be viewed as an initial report — I plan to keep you informed on this task as we continue to fine-tune our organization. Therefore, I will report again to Congress on our progress and will present a plan for making adjustments in those Headquarters and field relationships by October 1, 2001.

Thank you for your interest in the NNSA.

Sincerely,

A handwritten signature in black ink, appearing to read "John A. Gordon". The signature is fluid and cursive, with a large loop at the beginning and a long horizontal stroke at the end.

John A. Gordon

Enclosure

cc: The Honorable Carl Levin  
Ranking Minority Member