

# Meeting Summary – DNFSB Public Hearing on DOE Oversight (October 21, 2003)

## Issues raised in Board staff testimony:

- High performing organizations have independent and technically competent engineering enterprises that centrally control technical safety specifications and expectations, including technical waivers.
- Redundancy in systems, whether physical or human systems, can improve overall system reliability.
- DOE Oversight practices should ensure that contractors use appropriate decision-making criteria regarding safety in light of incentive-based contract structure.
- DOE use of performance metrics alone is not expected to provide adequate leading indicators of safety problems, and does not address root causes, corrective actions, and verification that corrective actions have been effective.
- Independent information (beyond data generated by contractors and field offices) is necessary to allow senior managers to hold their subordinates accountable for their decisions.
- In some cases (such as NNSA assessments of contractor training) required DOE oversight is not being done.
- There are not too many requirements – In some cases (such as administrative controls) the Department has agreed that additional requirements are needed.
- DOE Oversight cannot simply change from transactional to systems-based oversight because, for example, transactional oversight is necessary on construction projects to find and correct errors early and inexpensively.

## Key Board comments/questions during McSlarrow (DS) testimony:

- Conway: Sites don't have personnel and technical competency they need, in part due to hiring restrictions.
- Eggenberger: People forget things. Loss of institutional memory regarding safety management is a key issue.
- Matthews: DOE is reducing redundancy in oversight, but redundancy is important for effective oversight.
- McSlarrow reply: We need to eliminate redundancy that is not adding value.

## Key Board comments/questions during Brooks (NA-1) testimony:

- Conway: NNSA has reduced the number of site reps at Pantex and has openings in critical technical roles at Pantex.
- Eggenberger: Bifurcation issue. The NNSA organization appears to segregate authority for program and budget from authority for operations and safety. NA-10 appears to have knowledgeable personnel but no authority for safety. I prefer to "see it run straight down, with a strong Headquarters organization."
- Matthews: Programs have authority to spend money but don't have authority over safety. Site managers are risk acceptance officials. If site managers have no control over budgets, how can they control their risks?
- McConnell: Without HQ line oversight assessments, what independent data will you use to hold your subordinate decision-makers accountable?
- Matthews: Do you have a consistent standard from site to site? What is the level of site-to-site consistency?
- Conway: Who is reviewing Daily Occurrence reports daily for safety implications to get this information to NA-1?
- Conway: Line management must have final responsibility for safety.

## Key Board comments/questions during Card (US) testimony:

- Conway: First and second line supervisors are getting the message to do things faster and cut corners.
- Conway: It is premature for DOE to back off on oversight. The field is getting the message that DOE should say away from day-to-day activities and focus on performance indicators, after the work is done.
- Conway: DOE needs to clarify what it means by "managing the contract, not the contractor." If DOE intends to continue to look hard for and find problems, this needs to be clarified to DOE site personnel.
- Eggenberger: "Managing the contract, not the contractor" means many different things to different people – no consistency. Performance indices are not useful for design and construct projects. DOE line managers need to get down in the details. DOE needs a strong headquarters engineering organization.
- Matthews: NNSA & EM appear headed in different directions. Multi-program sites need continuity & consistency.
- Conway: DOE should be heavily involved in following construction projects, finding & resolving problems. DOE should not sit in offices, "manage the contract," and wait until job is finished to evaluate performance.
- Card: DOE still needs to improve on our oversight system, our assessment system, our engineering organization, and our technical expertise.

## Key Board comments/questions during Podonsky (OA) testimony:

- Eggenberger: Priority areas where NNSA needs to improve? Podonsky and OA representatives:  
(1) organizational structure, (2) robust line oversight, (3) feedback & improvement processes, (4) critical self-assessments, (5) corrective action management, and (6) implementing requirements at the working level.