



The Secretary of Energy
Washington, DC 20585

July 21, 1995

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

Dear Mr. Conway:

Enclosed is the Department of Energy's Plan for Management of Standards-Related Activities (Implementation Plan for Board Recommendation 94-5). The Department shares the Board's concern about providing adequate definition and direction during the transition to standards-based safety management.

If you have any questions, please contact me or have a member of your staff contact Mr. Orin Pearson, Deputy Assistant Secretary for Nuclear and Facility Safety, at (202) 586-2407.

Sincerely,


Hazel R. O'Leary

Enclosure

Plan For Management of Standards-Related Activities (Implementation Plan for Board Recommendation 94-5)

Executive Summary

The Department of Energy (Department or DOE) accepted Recommendation 94-5 of the Defense Nuclear Facilities Safety Board (the Board or DNFSB). In Recommendation 94-5, the Board noted a fundamental concern about the apparent lack of integration and coordination of a number of DOE activities relating to the development, implementation, and management of DOE standards. The Department has previously committed to a standards-based safety management program. However, DOE and the Board recognize that several recently-initiated standards activities may have impeded progress on the standards-based safety management program. In accepting Recommendation 94-5, DOE committed to address concerns relating to confusion and lack of effective progress on the standards-based safety management program and establish a path forward to assure safety through effective management of the various standards activities.

The transition to the standards-based safety management program has resulted in several standards-related activities that are not uniformly understood in conception, are not effectively integrated and coordinated in development, and are not properly managed in implementation. While a common thread of developing and managing appropriate standards for diverse DOE work weaves throughout all the activities, that thread is often not visible and not well understood by all. Clearly, these activities require coordination and integration through an overall Department-wide standards management plan.

In recognition of the transition problems, the Secretary tasked the Assistant Secretary for Environment, Safety and Health in February 1994 to define criteria for an acceptable standards program and to assist in developing effective means to satisfy the criteria. The Department Standards Committee (DSC) chaired by the Assistant Secretary for Environment, Safety and Health was established to integrate the Department standards efforts and establish the criteria for a Department Standards Program. These criteria were established in August 1994 (DOE/EH/-0416) and elements of the program are in various stages of development. The DSC membership consists of senior executives from major Headquarters and Field Offices.

The DSC is the common thread that links and coordinates major standards-related activities. It will do so by developing a plan for the actions, schedules, and responsibilities necessary to tie together all the current standards activities in a coherent fashion. Although the DSC action plan will not be completed until September 1995, the major standards-related activities in the DSC action plan will be summarily described in this implementation plan in response to Recommendation 94-5 and the Board will be informed of the ongoing action plan activities. Similarly, the Board will be informed of the defense laboratories' standards-related activities in response to the Board's April 28, 1995 letter that will be coordinated with the DSC and the action plan activities.

The DSC action plan will provide DOE the coordinated actions, framework and infrastructure that was lacking in previous commitments in the transition from an experts-based system to a standards-based safety management program. This will permit the Department, in consultation with the Board, to determine the continued need for and/or scope of several ongoing activities, i.e., Recommendations 90-2 and 93-1, and Department-wide authorization basis development. As actions are developed and go forward, DOE recognizes that several near-term actions are necessary to assure that commitments to existing standards are understood and followed where it is appropriate to do so. The identified near-term actions are also crucial for effective progress in the transition to a standards-based safety management program. Those near-term actions, the conditions where they will be imposed, and the expected outcomes are the essence of this Implementation Plan.

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1. Background

Internal and external demands have caused DOE to change the way it manages its contractors. Internally, DOE acknowledges that the development, implementation, and enforcement of safety requirements imposed through contractual mechanisms (i.e., the imposition of DOE Orders through contract terms) has been ineffective and costly. Remedies to these contractual problems include: (a) improvements to the DOE Directives to streamline Orders and remove unnecessary and conflicting requirements; (b) revisions to contract terms and conditions to properly measure and reward performance; (c) development of a closure methodology to assure "necessary and sufficient" requirements are imposed by contract and implemented; and (d) transition from DOE Orders to rules to provide opportunities for public input, stability and better regulatory enforcement of safety requirements.

Externally, DOE is part of a fundamental change in Federal Government that is reevaluating the relationship between federal agencies and the activities they control or regulate. An overall goal is to remove the heavy government footprint of bureaucratic requirements that do not add value and are costly to implement and manage. In addition, downsizing, reducing budgets, using appropriate government and non-government standards, and the transition of Departmental missions are significant external factors impacting the management of contractors and standards-related activities. These external factors need careful consideration and balancing with the overriding objective of assuring adequate protection.

The numerous standards activities that were noted in Recommendation 94-5 were initiated by DOE to respond in some measure to these internal and external demands. These activities, however, have not been guided by an overall Department-wide process. While all the standards-related activities have made progress and will logically converge at some point into a standards-based safety management program, it will not be effective or successful without a DOE-wide approach. The Department will assure continued progress, efficient convergence, and proper management coordination and direction through actions outlined in this implementation plan and the DSC action plan. Coordination and integrated planning of major standards activities will be provided by the DSC.

2. Underlying Causes

The Department has carefully and openly evaluated the underlying causes of its difficulties in making an effective transition to standards-based safety management. The following causes have been identified:

- Existing standards contain conflicting, redundant, and unnecessary direction.
- Headquarters and Field offices have communicated poorly regarding standards performance expectations and implementation.
- The processes for tailoring and implementing requirements to site and facility-specific activities have been inadequate.
- The process of incorporating requirements into contracts has been inadequate.
- The general condition and history of the complex makes this culture change difficult.
- The Department has not provided management resolve and a corporate plan for coordinating standards-related activities.

Each of these major causes is discussed below.

Existing Standards. Several different review efforts identified that existing Department standards contain conflicting, redundant, and unnecessary requirements. Many Department Orders were not uniformly developed and resulted in a mixture of statements on policy, requirements, guidance, and technical standards. Because of this condition, exacerbated by the confusion about the process for implementation, many concluded that the existing Orders contain unproductive and burdensome requirements.

Communications. Poor communications among Headquarters, Field offices, and contractors led to fragmented and inconsistent interpretations and

applications of standards to conduct work. In the past, each line management office was more or less free to manage its contractors consistent with its own interpretation and application of the Department Orders and other standards. The lessons learned from the nuclear safety program indicate that risk aversion by decisionmakers, coupled with poorly defined or executed implementation and exemption processes, results in ineffective and costly programs for understanding performance expectations and implementing requirements. In many situations, implementation programs were "over-kill" and resulted in the diversion of resources away from other ongoing programs established to improve safety performance. In other cases, Order requirements were effectively ignored with the consent of DOE without justification or documentation as to why they were not implemented.

Tailoring and Implementing. The existing nuclear safety Orders were developed typically with an operating nuclear power reactor in mind. Although developed for reactor activities, the Department allowed "grading" of those requirements so that they could be tailored to lesser hazardous activities. The Department has failed to clearly articulate, successfully demonstrate, or effectively implement the graded approach. The Department has not developed complete or useable guidance on an acceptable approach nor did it effectively manage contractor application and tailoring. Accordingly, reactor-type programs were implemented where they were never intended.

The Defense Programs' Order Compliance Self-Assessment process, developed in response to DNFSB Recommendation 90-2 to assess the applicability of approximately 14,000 mandatory requirements in Department Orders, has also proven time-consuming and costly, without significant deviations from the mandatory requirements through grading determinations. Defense Programs issued in February 1995, supplemental guidance on the conduct of Order compliance self-assessment which permits value-added assessments of Order requirements. This guidance is consistent with SRID development and the proposed Necessary and Sufficient process. Implementation of this guidance has been lacking.

The Department has spent several arduous years developing programs and activities to implement and comply with the existing Orders. These efforts were initiated under the Implementation Plans for Recommendations 90-2 and 93-1 and are referred to as Standards/Requirements Identification Documents (SRIDs) and Order Compliance. These efforts are now scheduled and are showing some degree of effectiveness and success. But the efforts are slowing down and schedules are slipping to await the issuance of new Orders and rules, and/or the necessary and sufficient process. This situation is understandable. Yet lack of progress on SRIDs and Order Compliance commitments is not justified given that appropriate implementation of the new Orders and rules will not relax necessary safety requirements and that the necessary and sufficient process builds on existing SRID and Order Compliance processes.

Contracts. Little guidance was given to the Field on what activities or contracts were subject to the requirements. When many older Department nuclear facilities were designed and approved for operation, appropriate nuclear safety requirements did not exist and the Department relied on

existing building codes and the knowledge of contractors to develop their own technical standards for unique applications. Headquarters expected the Field offices to negotiate with their contractors to have new requirements included in contracts when a new or revised Order was promulgated.

However, in recent years the volume, pace, and complexity of Department Orders overwhelmed the capacity of the Field to effectively negotiate and properly implement new Order requirements. Accordingly, the Orders were routinely incorporated into contracts as boilerplate and "thrown over the transom" to contractors without adequate contractor ownership and responsibility and corresponding Department monitoring and control. Contractors were expected to implement appropriate requirements through "grading" or some other disciplined review and quality management process. However, the award-fee contracts provided little economic incentive for contractors to properly manage and control the programs and plans required by Orders and other requirements.

Condition and History. Many of the Department's defense nuclear facilities are aged facilities with inadequate design, authorization, and safety basis information based on today's standards. Missions have changed and facilities designed for operations are now decommissioned or mothballed. Personnel and their corporate knowledge have been lost and that knowledge (e.g., operational conditions, design changes, and operational results) has not been adequately preserved. As a result of these and other conditions, many contractors cannot demonstrate that they have fully implemented or are in compliance with the appropriate requirements referenced in their contracts. Similarly, the safety management processes implemented by some contractors often do not have a clear lineage, definition, or purpose, and compliance cannot be demonstrated readily.

Management Resolve and a Corporate Plan. The lack of management resolve and a corporate plan and process for standards activities has led to a lack of integration and coordination of a number of Department activities and initiatives related to the development, implementation, and management of standards. There have been problems due to the Department's inability to reach internal agreement for support of Headquarters programs to ensure proper implementation of commitments; repetitive failure to provide proper training to ensure adequate understanding of program goals and expected operational practices; lack of technical competence or experience in key areas; and management problems in maintaining consistent progress. The DSC was formed largely in recognition that the Department's existing standards management efforts across the various program offices were ineffective, costly, and uncoordinated. The proliferation of standards-related activities imparted a range of actions throughout the Department complex ranging from mild confusion to benign neglect toward progress of ongoing activities. DOE management was slow in recognizing the root causes of standards problems and assigning responsibilities and resources to confront the issues with direct and effective actions.

DOE responsibilities and functions for standards-related activities are assigned currently in the Manual of Functions, Assignments, and Responsibilities (FAR) for Nuclear Safety. The FAR Manual has not adequately captured current responsibilities, some of the responsibilities do not reflect

recent organizational changes, and many of the functions and responsibilities are unnecessary or insufficient as missions change.

3. Assumptions

The DSC will address the proper planning, coordination and integration of standards-related activities. The DSC action plan will be a Department-wide plan to resolve issues and provide a path forward for the integration, coordination, and implementation of standards activities. This Implementation Plan for 94-5 is intended to address the specific concerns expressed by the Board and includes the near term actions to assure effective understanding and coordination of activities needed for safety management control as the DSC action plan develops. The following assumptions are made for this Plan:

- Existing Orders and rules, if appropriately implemented, are effective and adequate to assure safety until replaced by new Orders and rules.
- Existing SRID, Order Compliance, rule implementation actions, and authorization basis processes are adequate until replaced by other actions and processes authorized by the DSC action plan.
- Further Department guidance and direction is necessary on the transition to and understanding of the standards-based safety management program, the actions necessary to "stay the course" under current activities and continue complying with existing standards, programs and plans, and the actions necessary to assure proper implementation of any new Orders and rules.
- Department direction and guidance on existing or new standards-related activities requires complex-wide training and communication and management interactions to effectively reach all DOE and contractor personnel.

4. Summary of Completed and Near-Term Actions

Completed Actions to support this Implementation Plan:

- The Secretary announced on May 5, 1993 a comprehensive nuclear and occupational safety initiative to emphasize the Department's strong commitment to continuous improvement in safety and health for workers, the public, and the environment.
- The Secretary established the DSC in February 1994 to establish criteria for a Department standards program and to manage the implementation of that program.
- The Department issued DOE/EH/-0416, "Criteria for the Department's Standards Program," in August 1994 as a Departmental standard.

- The Offices of Defense Programs and Environmental Management issued DNFSB 90-2 Program Implementation Instructions in September 1994.
- The Secretary approved and forwarded to the DNFSB the "Implementation Plan for Recommendation 90-2 (Rev. 5)" in November 1994.
- The Secretary issued "Major Initiative on Nuclear Safety Accountability, (Forwards copy of the Department's response to the Board's May 6, 1994 letter)," to Secretarial Officers on December 2, 1994.
- The Assistant Secretary for Environment, Safety and Health issued a memorandum to all Heads of Headquarters Elements on April 21, 1995 discussing the Directives improvement initiative (new Orders and rules) and providing direction and guidance on the need to stay the course and continue complying with existing plans and programs under current Orders until new plans/programs are approved under new Orders/rules.
- The Deputy Assistant Secretary for Facility Transition and Technical Support (DP-30) for Defense Programs issued a memorandum to the Albuquerque, Savannah River, Nevada, Oakland, and Oak Ridge Operations Offices on February 8, 1995 directing adherence to the Recommendation 90-2 milestones.
- DP-30 issued a memorandum on February 21, 1995 to the Albuquerque, Nevada, Oakland, Oak Ridge, and Savannah River Operations Offices on Supplemental Program Guidance Regarding the Conduct of Order Compliance Self-Assessments at Defense Program Facilities.
- DP-30 issued a memorandum on May 4, 1995 to the Albuquerque, Savannah River, Nevada, Oakland, and Oak Ridge Operational Offices directing continuation of Order Compliance activities, issuing the Supplemental Program Guidance, under existing Orders notwithstanding the imminence of new Orders/rules.
- The Department issued a DOE-wide standard, "Preparation, Review, and Approval of Implementation Plans for Nuclear Safety Requirements," (DOE-STD-1082-94) in October 1994 that describes an acceptable method to prepare, review, and approve implementation plans for DOE nuclear safety requirements.
- The Department issued a DOE-wide standard, "Requesting and Granting Exemptions to Nuclear Safety Rules," (DOE-STD-1083-95) in February 1995 that describes the process and criteria for granting exemptions to nuclear safety requirements in DOE rules.
- The Department issued draft proposed DOE Order 251.1 and Manual, "DOE Directives System", for simultaneous implementation and

review in June 1995 which clearly explained the relationship between mandatory requirements that are established in DOE Policy, Orders, rules and Manuals, and optional methods to implement the requirements that are set forth in guidance documents such as Implementation Guides and Technical Standards. A major purpose of this Order is to define the DOE Directives System and to explain the separation of guidance from requirements and to provide guidance on the Department's expectations on the implementation of requirements.

Near-term actions to be completed:

- (September 1995) The Department issues a memorandum to all Headquarters and Field elements regarding the proper interpretation and implementation of new Orders and rules, and how applicable and appropriate requirements are implemented through the use of technical standards and other referenced standards in DOE approved implementation plans.
- (September 1995) The Department issues a Policy Statement on Procedures for Developing, Implementing and Achieving Compliance with Nuclear Safety Requirements that sets forth the legal, procedural, and policy framework for developing, implementing and achieving compliance with the Department's nuclear safety requirements. The Policy Statement will include direction that the transition from existing Orders to new Orders and rules will not provide an excuse for delay in achieving compliance with commitments concerning requirements in existing DOE Orders and will provide guidance to ensure that existing Orders may be preserved in contracts where they have been appropriately implemented.
- (September 1995) The DSC issues the action plan which establishes actions, schedules and responsibilities to coordinate and integrate standards-related activities, including the "necessary and sufficient" process. This plan is a living document and will be revised appropriately.
- (September 1995) The Deputy Assistant Secretary for Facility Transition and Technical Support (DP-30) and the Deputy Assistant Secretary for Compliance and Program Coordination (EM-20) initiate discussions with the Board relative to the path forward and the value in continuation of Recommendation 90-2 and 93-1 implementation in view of the integrated standards-based safety management program set forth in the DSC action plan.
- (October 1995) DP -30 and EM-20 in cooperation with all Program Secretarial Officers (PSOs) with facility interests, establish training seminar format, content, and schedules, coordinated with the DSC, to assure that DOE and contractor personnel understand

Department standards initiatives and expectations, decisionmaking processes leading to the implementation of and compliance with applicable and appropriate requirements, and the overall goals of a standards-based safety management program, and consistent with the DSC action plan.

- (October 1995) The Assistant Secretary for Human Resources (HR-1) issues a final DOE Order 251.1 on the DOE Directives System and coordinates issuance of a document that completes the "mapping" 60 days thereafter to show how elements in existing Orders relate to requirements and guidance in the new DOE Directives System.
- (Early 1996) The DSC issues further guidance and criteria on how facilities that may apply the necessary and sufficient process after it is authorized for DOE-wide use.
- (Early 1996) The Deputy Assistant Secretary for Nuclear and Facility Safety (EH-3) issues a revised FAR Manual that establishes the functions and responsibilities of DOE line management and oversight personnel for the new rules and other appropriate directives.

5. Safety Issue Resolution

This Plan addresses the following principal issues involved in making an effective transition to standards-based safety management:

1. Communicating the Department's commitment to a standards-based safety management program
2. Defining and directing continuation of approved activities under existing Orders to assure effective safety management control during transition
3. Ensuring implementation of and compliance with appropriate safety standards
4. Establishing proper contract and regulatory compliance measures and mechanisms for approved standards

Each of these issues is described below along with the resolution approach and associated deliverables and milestones.

5.1 Communicating the Department's Commitment to Standards-Based Safety Management

Issue Description

In order to accomplish a significant cultural change such as the transition from current management practices to standards-based safety management, the Department and contractor personnel need to receive a clear message that the Department is committed to this course of action and actually has a corporate plan to achieve its goal. To date, the difficulty in achieving this culture change has been compounded due to various diverse Department initiatives related to Department rules and Orders, confusion surrounding implementation

approaches, and the uncertainty of Department missions. Although Department management is fully committed to a standards-based safety management system, the Department personnel have not received a consistent and integrated message and plan regarding this commitment.

Board Recommendation

In Board Recommendation 94-5, the Board recommends that the Department:

"(1) Widely disseminate the information provided to the Board in response to our May 6, 1994 letter on DOE's Safety Management Program, and take steps to ensure that key technical and contracts personnel are well schooled in this topic."

Resolution Approach

The Department's commitment to standards-based safety management is clearly reflected in a number of Department documents, including the following:

- 1) DOE News Release dated May 5, 1993 by Secretary O'Leary on Department's strong commitment to a comprehensive nuclear and occupational safety initiative.
- 2) DOE/EH/-0416, "Criteria for the Department's Standards Program," issued in August 1994 as a Department-wide standard.
- 3) "Major Initiative on Nuclear Safety Accountability, (Forwards copy of the Department's response to the Board's May 6, 1994 letter)," O'Leary to Secretarial Officers issued on December 2, 1994 and disseminated to all headquarters and field office managers.
- 4) Draft DOE Order 251.1, DOE Directives System, issued for implementation and review in June 1995.

In the Department's Response to Board Recommendation 94-5, the Department reported that the response to the Board's May 6, 1994 letter on the DOE's Safety Management Program had been widely disseminated. In addition, this Implementation Plan will further signal and reiterate the Department's commitment to implementing standards-based safety management. The roll out of the DSC action plan, addressed under Safety Issue #2, and actions for communication of its elements will include top management participation and final execution by the Secretary or the Under Secretary, as appropriate. The Department recognizes that part of the communication problems that led to confusion is that issuance of plans and paper from Headquarters is not enough to get effective action -- management must get out in the Field to explain expectations and answer questions and resources must be committed to assure effective implementation.

Deliverables/Milestones

Based on the above completed actions, the Department considers this issue to be largely resolved. However, the message on safety standards must be reinforced and made clearer. While much of the standards-related training will be an element of the DSC action plan as those activities are developed, this plan includes a commitment to issue a memorandum to explain the new standards and directives, to finalize the Order on the DOE Directives System, and to conduct interim training on the Department's approach to standards. This memorandum will express the need to "stay the course" pending issuance of the DSC action plan through the use of authorization basis documentation, Order Compliance, and SRID development activities, and continue complying with existing programs and plans where it makes sense to do so. This 94-5 training will focus on the actions necessary to align current activities with the Department's expectations for a standards-based safety management program and to properly implement and comply with applicable and appropriate requirements. To assure that a proper foundation is established for the transition to the standards-based safety program and that key DOE and contractor personnel fully understand the relationship of standards issues and initiatives, the Department will complete the following:

- Commitment 1.1:** Issue a memorandum to explain the relationship of the new directives (policy, requirements, guidance, and technical standards), acceptable implementation processes, including "staying the course" as appropriate under existing requirements and the proposed "necessary and sufficient" process, and performance expectations.
- Responsibility: Assistant Secretary for Environment, Safety and Health (EH-1), Dr. Tara O'Toole
General Counsel (GC-1), Robert Nordhaus
- Applicability: Department-wide
- Deliverable: Memorandum On Requirements and Guidance
- Due Date: September 15, 1995
- Commitment 1.2:** Issue a final DOE Order 251.1 on the DOE Directives System (already implemented as a proposed Order in June 1995) to better explain the relationship between policy, requirements, guidance, and technical standards, and implementation processes and expectations.
- Responsibility: Human Resources Office of Organization and Management (HR-6), Ms. Marcia Morris
- Applicability: Department-wide
- Deliverable: Approved final Order.

Due Date: October 15, 1995

Commitment 1.3: Develop the scope, format, content and schedules for seminar training to assure key personnel are well schooled on the transition to standards-based safety management, and current expectations regarding implementing and complying with applicable and appropriate standards/requirements consistent with the DSC action plan. This action will be coordinated with all Program Offices with facility interests and contractor/laboratory personnel as appropriate.

Responsibility: Deputy Assistant Secretary for Facility Transition and Technical Support (DP-30), Mr. Don Knuth
Deputy Assistant Secretary for Compliance and Program Coordination (EM-20), Mr. Randal Scott

Applicability: Department-wide

Deliverable: Approved Seminar Training and Communications Plan consistent with the DSC action plan.

Due Date: October 30, 1995

5.2 Defining and directing continuation of approved implementation activities to assure safety management control during transition.

Issue Description

The Department has multiple standards-related initiatives currently in various stages of conception, development, and implementation. In particular, new rules along with associated implementation guides are being prepared to replace existing Orders in certain key nuclear safety functional areas. In addition, other Orders are being revised and rearranged to eliminate conflicting, redundant, and unnecessary requirements, and to improve user-friendliness. Additionally, the necessary and sufficient implementation and closure process is undergoing pilot demonstrations.

These initiatives are not yet complete and the DSC action plan is not finalized. The Department will provide further direction on safety management control during the transition. The process for transitioning from the old orders-based framework to the new standards-based framework needs to be fully defined and clearly communicated to effectively manage those activities where the Department has assigned its highest safety priorities. Furthermore, the transition from existing Orders to new Orders/rules requires careful implementation definition and direction to avoid elimination or relaxation of appropriate requirements, to avoid imposition of unnecessary requirements, and

to avoid the modification of effective programs and plans under current directives.

Board Recommendation

In Board Recommendation 94-5, the Board recommends that the Department:

- "(2) *Promptly issue appropriate directives and procedures to DOE Headquarters, Field Offices and O&M contractors which:*
- (a) *embrace the basic principle that work already commenced or planned to develop and implement requirements in existing or revised Orders or SRIDs should continue while rulemaking is underway;*
 - (b) *explain in detail the relationship between safety requirements contained in Orders in O&M contracts and those contained in new rules, and the process by which a rule may 'supersede' parts, or the entirety, of a safety Order;*
 - (c) *explain that compliance with a requirement whether in a rule, Order or other directive is not accomplished by submittal of an adequate implementation plan but requires completion of action proposed by that plan;*
 - (d) *provide guidance to contractors and DOE program offices on how to coordinate implementation plans for multiple requirements such as those in Orders, rules, SRIDs and other binding directives; and*
 - (e) *in the process of eliminating duplicate requirements and in arranging the remaining ones along more user-friendly guidelines, which the Board agrees is desirable, ensure that existing requirements that are necessary and appropriate are not relaxed nor eliminated, and schedule commitments for achieving compliance are not delayed."*

Resolution Approach

The first step in assuring a smooth transition is to continue development of the authorization basis documentation, SRID development, and Order Compliance using the supplemental guidance issued by Defense Programs on February 21, 1995. The Department has already issued further direction and guidance on how to identify and implement appropriate requirements (i.e., tailoring) and the need to stay the course and continue complying with existing plans and programs under current Orders until new plans/programs are approved under new Orders/rules. These direction and guidance memos have been identified above.

In addition, the Department will issue a supplemental memorandum on the new directives system and acceptable ways to implement new requirements, including staying the course under existing requirements, and a policy statement to further emphasize the direction and the procedures to follow in the transition from Orders to rules.

The Department has also issued a standard on the "Preparation, Review, and Approval of Implementation Plans for Nuclear Safety Requirements" (DOE-STD-1082-94, Oct. 1994). This standard describes acceptable methods to prepare, review, and approve implementation plans for DOE nuclear safety requirements that originate from multiple sources such as DOE Orders and rules. It is the Department's goal to fully implement applicable and appropriate requirements for site or facility specific activities regardless of the source of the standard or the process by which the requirements are identified and justified for use.

Acceptable implementation of performance-based nuclear safety requirements is achieved by the appropriate implementation of DOE Orders, rules, technical standards, commercial practices, voluntary standards, and best practices. The Department has developed implementation processes (e.g., SRIDs, DOE-STD-1082-94, safety authorization agreements) which are designed to achieve this goal although they may vary in approach. Because of this variance, the Department will explain the different approaches and demonstrate how, if correctly applied, they will lead to the right set of requirements to implement and follow.

As indicated earlier, some of the SRID and Order Compliance actions have slowed down or even halted to await new Orders and rules and the next set of implementation instructions. Indeed, many in the complex believe that the proposed "necessary and sufficient" decisionmaking and closure process and the issuance of new Orders and rules makes current SRID and Order Compliance activities futile and meaningless. That is not the case. The Department is committed to implementing applicable and appropriate requirements for adequate protection. The appropriate implementation of new Orders and rules will not relax or eliminate necessary safety and health requirements. Additionally, the proposed "necessary and sufficient" process builds on the current instructions for SRID, Order Compliance, and rule implementation processes, and will be a key element in the facility authorization basis. Since implementation processes are similar and should result in the selection of substantially similar requirements for safety, current SRID, Order Compliance incorporating the DP supplemental guidance, and authorization basis development should continue without interruption.

Approved SRIDs or Order Compliance documents developed under existing Orders will be sufficient to demonstrate implementation and compliance with requirements in the new Orders and rules without any further general demonstration. Assuming the "necessary and sufficient" process is authorized for use after the pilot demonstrations, approved SRIDs and Order Compliance documents may be modified in an orderly fashion if value is added and it makes sense to do so. The overall goal of the "necessary and sufficient" process is to provide a single, coherent DOE-wide approach for the development, approval, and use of sets of standards as a fundamental basis for the authorization of work. The process needs to be flexible to fit the wide spectrum of work and hazards, but consistent to provide accountability and control for the responsibilities of line management and an acceptable basis for compliance assessments. At this time, it is recognized that the proposed "necessary and sufficient" decisionmaking and closure process requires testing, development and implementation criteria and guidance before it can be authorized. DOE

will timely advise and inform the Board of progress and issues in the "necessary and sufficient" development process, including results of the pilot efforts.

Deliverables/Milestones

In order to resolve this issue, the Department will complete the following actions:

- Commitment 2.1:** Issue policy statement on procedures for developing, implementing and achieving compliance with nuclear safety requirements.
- Responsibility: Associate General Counsel for Energy Policy (GC-70), Mr. Douglas Smith
- Applicability: Department-wide
- Deliverable: Approved policy or notice.
- Due Date: September 15, 1995
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- Commitment 2.2:** Issue the DSC action plan that integrates and coordinates all standards-related activities. This action plan is a living document and will be revised as appropriate.
- Responsibility: Department Standards Committee Chair, Dr. Tara O'Toole, Assistant Secretary of Environment, Safety and Health
- Applicability: Department-wide
- Deliverable: Approved DSC initial action plan for standards integration
- Due Date: September 15, 1995
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- Commitment 2.3:** Develop a plan and schedule for the conduct of a Department-wide workshop that explains the DSC action plan and assures program and field questions relative to the standards-based safety management program are addressed.
- Responsibility: Department Standards Committee Chair, Dr. Tara O'Toole, Assistant Secretary of Environment, Safety and Health
- Applicability: Department-wide
- Deliverable: Workshop plan
- Due Date: September 29, 1995

Commitment 2.4: Discuss with the Board the path forward and value of continuation of Recommendation 90-2 and 93-1 implementation in light of the DSC action plan.

Responsibility: DP-30, Mr. Don Knuth

EM-20, Mr. Randal Scott

Applicability: All defense nuclear facilities and programs

Deliverable: Path forward relative to Recommendations 90-2 and 93-1

Due Date: September 29, 1995

Commitment 2.5: Establish interim training scope, format, content, and schedule (See Commitment 1.3)

Commitment 2.6: Issue memorandum on the new Directives system and acceptable implementation approaches, including staying the course under existing requirements (See Commitment 1.1)

5.3 Ensuring implementation of and compliance with appropriate safety standards

Issue Description

With the transition to new nuclear safety rules, the Department and contractor managers will develop implementation plans to assure compliance with the regulatory requirements. Unless properly managed, this regulatory emphasis on rule implementation and compliance could possibly lead to a reduction in emphasis on other safety requirements not associated with rules. The Department and contractor managers must ensure compliance with the full and comprehensive set of appropriate safety standards/requirements.

Board Recommendation

In Board Recommendation 94-5, the Board recommends that the Department:

"(3) *Ensure that compliance with the minimal (base-line) set of safety requirements contained in Rules is not construed as full compliance with all necessary safety requirements and does not displace effort to develop and implement through RIDs the best nuclear safety requirements and practices embodied in rules, Orders, standards, and other safety directives.*"

Resolution Approach

The fundamental resolution of this issue is to approach the entire requirements process, including identification, application, implementation, and compliance, as an integrated process which encompasses all appropriate safety and health standards, not just those contained in nuclear safety rules. The Department has developed various approaches to standards decisionmaking and implementation including SRIDs, Order Compliance, Necessary and Sufficient Closure Process, rule implementation, and authorization basis development. These approaches define and establish the complete set of standards that when implemented will provide reasonable assurance that the health and safety of the workers, public, and environment will be protected. These decisionmaking and implementation processes permit consideration of all potentially applicable safety standards including nuclear safety rules, other legal requirements, Department safety orders and other health and safety directives, Department technical standards, industry consensus standards, industry good practices, and other applicable standards, practices, and requirements.

The implementation plans and the standards set developed by a disciplined team approach through the implementation processes will be the primary driver for implementing standards-based safety management. Rule implementation and compliance will be fully integrated, and not separated or segregated, with implementation and compliance of the applicable and appropriate set of safety and health requirements at each facility.

Continuous improvement and commitments to excellence beyond minimal compliance are a cornerstone of the standards-based management program and need to be integrated into implementation processes. This is particularly true for nuclear safety and is so stated in the current Department Nuclear Safety Policy Statement (SEN-35). The DSC action plan for standards integration and management (Commitment 2.2) will define the overall process for identifying, applying, implementing, and verifying compliance with all appropriate safety, health and environmental standards. In addition to the DSC action plan, the Department will also emphasize compliance policy through a policy statement on implementation and compliance procedures for nuclear safety requirements (Commitment 2.1), and will reemphasize continuous improvement and a consistent approach to safety beyond minimal compliance as stated in the Department's Environment, Safety, and Health Policy statement, issued by Secretary O'Leary on July 20, 1993 in response to the Secretary's May 5, 1993 Safety Initiative.

Deliverables/Milestones

- Commitment 3.1:** Issue DSC action plan (See Commitment 2.2)
- Commitment 3.2:** Issue policy statement or notice on implementation and compliance procedures for nuclear safety requirements (See Commitment 2.1)

- Commitment 3.3:** Issue memorandum on new directives system and acceptable implementation approaches. (See commitment 1.1)
- Commitment 3.4:** Reemphasize direction on continuous improvement and a consistent approach for all safety and health activities beyond minimal compliance as stated in the Environment, Safety and Health Policy for the Department of Energy Complex, dated July 20, 1993.
- Responsibility: EH-1, Dr. Tara O'Toole (EH-1)
- Applicability: Department-wide
- Deliverable: Revised Department Environment, Safety and Health Policy Statement
- Due Date: September 15, 1995

5.4 Establishing proper DOE approval, oversight and legal responsibilities for contract requirements documents to assure consistency

Issue Description

The Department initiated contract reform to redefine the basic relationships between the Department and its contractors. Major reform initiatives include improved provisions to identify expectations and measure performance for accountability and responsibility. One of the goals of the Department's contract reform efforts is increased clarity and contractor accountability on environment, health, and safety requirements. Appropriate changes to the standard contractual provisions are being developed.

Similarly, the Nuclear Safety Management rules in 10 CFR Part 830, when issued, will clearly delineate DOE's implementation and compliance requirements. The Department needs to clearly define implementation responsibilities, including those for the line, oversight, and legal roles, in reviewing and approving requirement documents that are consistent with the new contractual and regulatory provisions.

Board Recommendation

In Board Recommendation 94-5, the Board recommends that the Department:

"(4) *Clearly establish such line, oversight, and legal responsibilities for review and approval of contractual provisions specifying environment, health, and safety requirements for DOE contractors to ensure that the requirements-based safety management program expected by the DOE will be uniformly developed and consistently imposed across the complex.*"

Resolution Approach

DOE contractors are legally required to implement and follow applicable requirements, including those in DOE Orders that are referenced in contracts and those in all applicable rules. As mentioned previously, in recent years DOE Orders were incorporated into contracts as boilerplate without clear direction on implementation and compliance objectives. A component of contract reform is the revision of contract clauses to specify the applicability of DOE Orders to govern specific work activities. As new sets of standards are developed using the SRID or necessary and sufficient processes and are approved by the Department, these requirements will be imposed on the contractor by means of a contract modification. These approved standards would constitute the basis for compliance assessments of those work activities subject to the approved standards set. Regulatory requirements and DOE Orders referenced in the contract would continue to be binding. Revised contractual clauses are under development and will be adopted as standard Department of Energy Acquisition Regulation (DEAR) clauses after rulemaking.

Along with development of the standard contractual language, the Department will formalize line, oversight, and legal responsibilities for these environment, health, and safety contractual and legal provisions. The primary vehicle for establishing these responsibilities is the responsibility section of each DOE Order and the Department's Functions, Assignments and Responsibilities (FAR) Manual. The FAR Manual was developed to capture DOE line and oversight functions and responsibilities in current Orders and compile them in one source document. Since the nuclear safety rules do not specify the responsibilities of DOE personnel, the FAR Manual was intended to serve that function. However, the FAR Manual requires substantial revision to reflect current DOE organizations and functions and responsibilities that will be associated with the implementation of rules or other appropriate directives when they are issued.

The Department's review and approval functions for rule implementation plans are described in DOE-STD-1082-94 and rule exemption functions are described in DOE-STD-1083-95. However, a consistent approach for review and approval of exemption requests from applicable DOE Orders, Notices, Manuals and other requirement directives needs development. This exemption process requires coordination with the necessary and sufficient decisionmaking and closure process and actions developed in accordance with the DSC action plan (Commitment 2.2). The rule and Order implementation/exemption processes and the necessary and sufficient closure process will establish the DOE review and approval criteria, functions and responsibilities to assure that appropriate requirements are uniformly developed and consistently imposed across the complex.

Deliverables/Milestones

Commitment 4.1: Revise and reorganize the FAR Manual to establish the Department line, oversight, and legal responsibilities for review and approval of requirement documents.

Responsibility: EH-3, Mr. Orin Pearson
Applicability: Department-wide
Deliverable: Approved Revised FAR Manual.
Due Date: February 1, 1996 or 60 days after issuance of the nuclear safety management rules in 10 CFR Part 830.

Commitment 4.2: Issue DOE guidance or standard on the Order exemption process

Responsibility: EH-3, Mr. Orin Pearson
Applicability: Department-wide
Deliverable: DOE Standard on Order Exemption Process
Due Date: October 15, 1995

Commitment 4.3: Complete development and issue initial DSC action plan, including actions for necessary and sufficient closure process (See Commitment 2.2).

6. Organization and Management

The Department will manage this Implementation Plan, including any interactions with the Board, through Orin Pearson the Deputy Assistant Secretary for Nuclear and Facility Safety (EH-3) in the Office of Environment, Safety and Health. Mr. Pearson will have overall responsibility to ensure that DOE management and the Board is timely informed of any actions that may affect the assumptions or commitments set forth in this Plan. He also has the responsibility to act as an interface between the Board and the Department Standards Committee which will play an integral role in the Department's implementation of a standards-based safety management program, the primary concern of the Board in Recommendation 94-5. The issues, the resolutions, and the path forward to assure effective coordination of all Department standards activities will be established in the action plan to be developed by the DSC. Mr. Pearson will have the responsibility to assure that the Board has complete and timely information regarding any DSC activities, including the DSC action plan, that may impact any information in this Plan.

Change Control. The Department will follow its policy to (1) bring to the Board's attention any substantive changes to this Implementation Plan as soon as identified and prior to passing milestone dates, (2) have the Secretary approve all revisions to the scope and schedule of Plan commitments, and (3) clearly identify and describe the revisions, and bases for the revisions. Fundamental changes to Plan's strategy, scope, or schedule will be provided to the Board through formal revision of the Implementation Plan. Other changes

to the actions will be reported in periodic progress reports or other appropriate correspondence, along with the basis for the changes and appropriate corrective actions.

Reporting. In order to assure that DOE management, the various Department implementing elements, and the Board remains informed of the status of the progress of plan implementation, the Department will provide periodic progress reports. For this Plan, the Department will issue progress reports quarterly, within one month of the close of each quarter during Plan implementation, with the first progress report to be submitted by November 1995 for the period July to October 1995.