

Session 02

Panel: Views From Inside DOE – A Session with Senior DOE Managers on Cleanup, Radioactive Waste Management, D&D, Safety, Contractor Performance and Procurement

Panel Reporter – Linda Lehman, Jacobs Engineering

This Panel Session has been organized for the past 10 years by Ed Helminski of Exchange Monitor Publications and Jim Gallagher of Gallagher Consulting. The panel is intended to provide attendees with insights into various programs of the DOE from the perspective of senior management.

This year's panelists included:

- Mark Frei, Deputy Assistant Secretary (DAS) Program Planning & Budget;
- Jim Fiore, DAS Human Capital & Business Services;
- Frank Marcinowski, DAS Regulatory Compliance;
- John Surash, DAS Acquisition & Project Management;
- Roy Schepens, DOE Field Manager for Office of River Protection
- Kurt Gerdes, DOE Office of Engineering and Technology.

Mark Frei discussed the Environmental Management (EM) budget of \$5.8 billion. There is an additional \$360 million that will be used primarily to handle transfers from EM to Office of Legacy Management (LM) or National Nuclear Security Administration (NNSA). LM and NNSA look to EM to foot the bills for these transfers.

About 32% of the DOE EM budget will go to tank waste remediation efforts, with \$390 million earmarked for Hanford and another \$94 million targeted for Savannah River Site.

DOE has made considerable progress in that it has closed 89 sites this year. DOE has used a risk-based approach to determine priorities. He noted however, that there were some tradeoffs between risk-based approaches and regulatory compliance. In the Q & A session, Keith Spooner of the UK asked Frei to explain these tradeoffs. Frei explained that given the compliance requirements in some of the Federal Facility Agreements and Consent Orders, especially with respect to soils and groundwater that the allocated budget fell short at some sites. In this area there are a large number of requirements and the DOE must be open and try to negotiate with regulators about what can actually be done to meet the requirements.

Another question asked about the proposed transfer of some DOE sites to NNSA. Frei explained that last summer a conscious decision was made to allow EM an enduring mission. Since EM has the D&D and disposal capabilities, it didn't make sense to develop it else where like the Office of Science or NNSA.

Jim Fiore discussed Human Capital Initiatives and the need to develop new talent to be able to handle the nuclear renaissance that is occurring within the US. DOE EM is committed to becoming a high performing organization. In 2006, the Office of the

DAS for Human Capital was established. In addition, a corporate Human Capital Steering Committee provides strategic guidance.

EM is implementing a strong complex-wide work force planning process. They have just concluded a skills gap analysis in certain critical areas and have taken steps to address these gaps. Some of the critical areas being addressed are project management, project controls, fire protection and criticality.

Frank Marcinowski described major EM accomplishments to be the Waste Determinations performed under the NDAA Section 3116 at Idaho and Savannah River; the WIPP Remote-handled TRU Disposal Permit and the disposal of approximately 45,000 cubic meters of TRU at WIPP, which is equal to approximately one-third of the estimated inventory.

Marcinowski discussed some of the challenges facing EM in the future. He listed the following:

- Continued Progress in treatment and disposal of tank waste residuals
- U-233 at ORNL, down-blend and disposition
- TSCA thermal treatment of MLLW useful life may end in 2009
- Fernald Silo residuals don't have a disposal pathway and are currently stored at WSC with a Storage Permit.
- Optimization of TRU waste classification and processing capabilities
- Improve management of DOE disposal assets under decreasing waste volumes

Roy Shepens focused on enhancing safety by having the proper balance between high probability, low consequence events and low probability high consequence events. EM has 114 sites in 31 states with over 30,000 workers. DOE is integrating safety into operations and project management and has brought safety into focus on weekly and monthly management meetings. There are three primary things to improving safety:

- Eliminate the hazard
- Put engineering controls in place
- Put administrative controls in place

To continuously improve safety you must use proactive measures. Zero threshold reporting, i.e., any person can write up an issue. These write-ups go to an engineering review panel and it is tracked. If the issue is found to be significant, it will be addressed right away and root-cause analyses performed. They also utilize another tool termed HPI, human performance Improvement, which identifies a few critical steps that must be 100% correct.

Kurt Gerdes discussed the Office of Engineering and Technologies approach to reducing technological risks and uncertainty. There are three programs within this office:

- Waste Processing
- Groundwater and soils
- D& D and facilities engineering

The focus is on high risk high payoff projects and to closely collaborate with the national laboratories and universities. A strategic plan has been developed to provide a technology roadmap. The plan identifies technology risks and strategic initiatives to address risks and unexpected outcomes.

External Technical reviews have also proven valuable. To date four have been completed:

- Hanford Waste Treatment Plant
- Bulk Vitrification
- Salt Waste Processing Facility
- Tank 48 at the SRS

They are organizing the expertise to perform a structured review for technical and project management problems. They are in the process of developing a list of future expert reviews.

Jack Surash provided an update of the responsibilities of this new office that was established in May 2006. There are three programs offices within this office:

- Procurement Planning
- Contract and Project Execution
- Project Management

Surash covered current procurement and project management tasks and his plan to improve People, Policy, and Processes/Systems functional areas.

Surash discussed his role to have two main objectives;

- Ensure effective acquisition and procurement in the execution of the EM programs, and
- Develop and improve project-specific acquisitions and contracts.

Primary Tasks include:

- Support on-going procurements
- Assure timely actions on required contract modifications
- Scrupulously, without exception, follow the DOE publication “Program and Project Management for the Acquisition of Capital Assets.”
- Implement Project Management for the EM portfolio of \$180 billion dollars including 87 projects.

Areas for improvement are:

- Personnel - qualifications and experience
- Policy - for small business practices and goals
- Processes and Systems – execute procurements in a replicable fashion

Surash stated that with respect to policy, they have done a good job of getting critical decision processes in place and organized, but they are not yet at a baseline.

Regarding processes, they are reaching out and getting comments on draft RFPs; integrating procurement, planning, selection, executing and project management.

They are going to need many acquisition professions, he stated in the double digits, to handle the upcoming years demand.