

WM2017 Conference Panel Report

PANEL SESSION 59: EFCOG- DOE Performance Assurance, Metrics & Governance

Co-Chairs: **John Longenecker**, *Longenecker & Associates*
William Morrison, *Veolia, Inc*

Panel Reporter: **Jay Rhoderick**, *Longenecker & Associates*

Panelists:

1. **Stacy Charboneau**, *Associate Principal Deputy Assistant Secretary (DAS) for Field Operations for EM, US DOE*
2. **Jack Craig**, *SRS Site Manager, US DO*
3. **James McConnell**, *Associate Administrator for Safety Infrastructure & Operations, NNSA*
4. **Mark Cox**, *Director of Nuclear Safety, Quality, and Performance Management, Idaho National Laboratory*
5. **Dave Olson**, *Vice President Environmental & Nuclear Operations, Fluor Corporation*
6. **John McDonald**, *Chair of the EFCOG Contractor Assurance System (CAS) Task Team*

About 60 people attended this panel session which focused on the implementation of the August 2016 US DOE Policy for Federal Oversight and Contractor Assurance Systems (DOE P226.6). The implementation of this required that the DOE M&O contractors establish a comprehensive and integrated contractor assurance system (CAS), a contractor-designed system used to manage performance consistent with contract requirements. The session opened with six panelists, consisting of both contractor and Federal representatives, presenting how they currently implement a CAS system on the contractor side and oversee CAS systems on the Federal side. This was followed by a question and answer session which included questions on overall implementation. The session was opened by John Longenecker and William Morrison representing the EFCOG organization.

Summary of Presentations

John McDonald described the results of the EFCOG/DOE CAS Effectiveness Task Team. The CAS Task Team was co-chaired by Pat Worthington of DOE and had both DOE and contractor representation from the major DOE programs (NE, NNSA, EM, and SC). The Task team identified the key CAS effectiveness attributes of organizational learning, management leadership, employee engagement, being risk informed, adequate inclusion of work conducted by others, governance engagement, and having a system that is credible, objective, and transparent. John described that the Best Practice for CAS Effectiveness can be tailored for application at all DOE site.

Stacy Charboneau described how EM is looking at the implementation of DOE P 226.6 and the relationship between the Federal staff and the contractor community. She identified the attributes that EM looks for in an effective CAS and what the expectations were of EM contractors. She expects the CAS implementation to continue to grow and is looking for it to be a major management tool to assure mission execution.

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Jack Craig provided details of how the CAS system is executed at the Savannah River Site. Specifically, the contractor is to implement a CAS that demonstrates a method for validating the effectiveness of assurance system processes, have credible self-assessment and feedback activities, have a structured issues management system, provide continuous feedback and improvement which includes worker feedback, and have metrics and targets that assess the effectiveness of performance. **Jack** then reviewed the acceptance criteria in the FY17 Fee Plans for contractors at Savannah River which include the elements of CAS in order to set expectations for the contractor execution of CAS.

James McConnell provided details on the NNSA Site Governance (SD 226.1B) which was issued on August 12, 2016. This represents a foundational change in how NNSA conducts Governance and strengthens the strategic relationships between NNSA and its contractors. It also improves consistency and effectiveness of oversight across the NNSA enterprise. The Site Governance also implements, for NNSA, the requirements of DOE P 226.2. He described the old model and new model of Governance as one that is more corporate in nature and one that promotes performance-based, system-level oversight by NNSA. The new model requires peer reviews of each others Site Governance Systems among NNSA sites. He reviewed the functional areas within NNSA that are given higher priority and greater emphasis due to their higher potential for mission impact. He identified that as part of implementation at the contractor level, NNSA requires a Contractor Requirements Document (CRD) to the field office Contracting Officer that identifies, prioritizes and addresses issues that will or may affect mission performance. He also identified the establishment of a chartered Governance Executive Steering Committee consisting of senior executives from NNSA and M&O partners to promote and support complex wide implementation of the new Governance model.

Mark Cox presented the Idaho National Laboratory CAS which is based on contractor ownership and accountability for performance and risk management, replaces most DOE transactional oversight with contractor's self-identification and disclosure, and provides tools for continuous improvement and transparency. He then described the overall INL CAS by three tier levels: Tier 1 being Foundational with performance data/metrics; Tier 2 to focus understanding and improvement areas thru self-assessments; and Tier 3 to incorporate broader perspectives and operating experience thru independent assessments. He then summarized those areas of the CAS that were working (such as issues management and assessments) and those areas that are challenges (such as lack of full middle management engagement and research staff not wanting to deal with CAS).

David Olson provided his background and experience in executing CAS with a prime contractor organization. He described the elements of a "high performing organization" and how CAS factored into that. He identified the status of Fluor CAS effectiveness on their DOE contracts and identified those areas for CAS continuous improvement within the Fluor portfolio. Specifically, areas such as the standardization and consistency of CAS implementation, maximizing the effectiveness of assessment programs, simplification of issue management systems, availability and adequacy of data for trending, and the broadening of lessons learned and best practices throughout the Fluor portfolio.

He reviewed the next steps of establishing a Community of Quality/Contractor Assurance Managers within Fluor, and the standardization of CAS effectiveness reviews.

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Questions and Answer

Questions asked during the session included discussions on how tailoring the CAS program to the individual sites and mission were working and how the cultures were being affected. There were also discussions on the linkages between the Integrated Safety Management System and the CAS program. There was also discussion on how NNSA would be implementing 226.2 in the year ahead in a sequential manner.