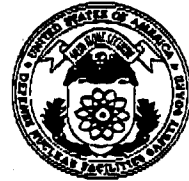


John T. Conway, Chairman
A.J. Eggenberger, Vice Chairman
Joseph J. DiNunno
Herbert John Cecil Kouts
John E. Mansfield

DEFENSE NUCLEAR FACILITIES SAFETY BOARD

625 Indiana Avenue, NW, Suite 700, Washington, D.C. 20004
(202) 208-6400



March 27, 1998

The Honorable Elizabeth A. Moler
Deputy Secretary of Energy
1000 Independence Avenue, S.W.
Washington, D.C. 20585-0113

Dear Ms. Moler:

On February 8, 1998, the Defense Nuclear Facilities Safety Board (Board) wrote to you concerning five unresolved issues relating to safety in a draft revision of the Department of Energy (DOE) *Life Cycle Asset Management* (LCAM) Order. I am pleased to report that DOE's LCAM team, working closely with our staff, has resolved the Defense Nuclear Facilities Safety Board's concerns with draft Order 430.1A as noted in our February 9, 1998, letter.

The Board is prepared to build on the collaborative effort which resulted in resolution of LCAM Order safety issues. With the Order now ready for issuance, new implementation guidance is needed to support a seamless facility disposition process, and existing guides have to be updated to reflect changes to the Order. With the cooperation of both of our staffs, the Board anticipates that these guidance documents can be completed within about 90 days to support Order implementation this year. Both DOE and the Board want to avoid undue delay in issuing the guidance, even though the Order can be implemented before the guidance is completed.

At one point, the draft Order linked implementation of requirements in Contractor Requirements Documents (CRDs) to development of performance measures. That link has been removed, and the Board looks forward to the LCAM Order requirements being implemented in a timely manner. As we both have stressed in the past, the key to timely and effective Order implementation, including LCAM, is strong project management support.

The Board has instructed its staff to meet with your LCAM team to discuss cooperative efforts to expedite development and issuance of the implementation guidance. Thank you for your efforts to date in helping to resolve this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "John T. Conway".

John T. Conway
Chairman

c: Mr. Mark B. Whitaker, Jr.