

## Department of Energy

Washington, DC 20585

June 24, 2003

The Honorable John T. Conway  
Chairman  
Defense Nuclear Facilities Safety Board  
625 Indiana Avenue, NW, Suite 700  
Washington, D.C. 20004-2901


Dear Mr. Chairman:

The purpose of this letter is to notify you of the Office of Environmental Management (EM) Quality Assurance Improvement Plan items that have been completed. The enclosure provides a more detailed discussion on the action items 1.3.2, 1.3.5, and 1.3.6, which are considered to be completed and closed.

Even though I have seen improvement, a review of field elements' documents indicates that needed improvements remain, on using feedback data to drive improvement, to fully implement Quality Assurance and Integrated Safety Management System requirements, to link contractor self-assessment to Department of Energy (DOE) oversight activities, and to fully implement DOE self-assessment. EM will continue to take actions to ensure that emphasis is placed on implementation and institutionalization of programs that demonstrates improved performance.

I would be happy to brief you in more detail on my efforts to drive improvement, upon your request. If you have any further questions, please call me or Ms. Sandra Johnson at (202) 586-0651.

Sincerely,

  
Jessie Hill Roberson  
Assistant Secretary for  
Environmental Management

Enclosure

cc: Paul Golan, EM-3  
Beverly Cook, EH-1  
Mark Whitaker, DR-1



## ENCLOSURE

### COMPLETION OF THE OFFICE OF ENVIRONMENTAL MANAGEMENT (EM) QUALITY ASSURANCE IMPROVEMENT PLAN (QAIP) ACTION ITEM # 1.3.2, 1.3.5, AND 1.3.6

#### **QAIP Action Item # 1.3.2 - EM will establish Headquarters (HQ) Operational Oversight Expectations.**

##### **Deliverable: EM Operational Oversight Policy and Expectations**

**Memorandum** - The Assistant Secretary for Environmental Management (EM-1) has issued guidance and internal policy on project oversight and assessment for EM activities (See attached memo dated May 23, 2003). Project oversight and assessment are key components of line management functions associated with completing all EM program work. Each level of line management must establish systems to provide added value to each project by independently evaluating performance of the descending level of the line organization, with an objective of identifying and stopping problems before they occur. EM-1 and the EM Chief Operating Officer are accountable for ensuring that oversight and assessment systems are in place for each EM project element. Field element managers are accountable for ensuring work is conducted safely and efficiently using clear contract mechanisms and independent oversight and assessment systems to complete risk reduction work. This item is considered closed.

#### **QAIP Action Item # 1.3.5 - EM will establish corrective action management systems for HQ and Field Operations Offices and establish performance measures.**

**Deliverable: Corrective Action Management System and performance  
measures** - EM has completed a review of compliance with EM's corrective action policy dated October 2001 noting much improvement. The Department of Energy (DOE) Corrective Action Tracking System (CATS) reports quarterly performance on sites against Correction Action Plans (CAPs) to the Deputy Secretary with performance metrics demonstrating significant EM improvement. EM will continue to monitor and track sites Integrated Safety Management Declaration CAPs that includes Corrective Action Management improvement actions. This item is considered closed.

**QAIP Action Item # 1.3.6 - EM will perform corrective action management system self-assessments for HQ and Field Operations Offices and Field Operations Offices will perform oversight assessments on contractors' corrective action management system.**

**Deliverable: Corrective Action Management System DOE Self-Assessments and DOE Contractor Oversight Assessment** - EM has committed to use the DOE CATS to track and monitor progress toward completion and closure of CAP corrective action items. In April 2003, EM performed a self-assessment of the EM HQ and field office Corrective Action Management System (CAMS) and CATS (See attached memo dated April 30, 2003). Overall, EM has made significant improvements in monitoring, tracking, approving and completing corrective action items in CAPs. The assessment noted that EM has no overdue CAP pending approval and has no late corrective action items. Performance on CATS is reported quarterly to the Deputy Secretary. EM has also developed performance measures to monitor and track performance, corrections, and improvements in safety operations.

In December 2002, EM requested the field elements to submit documented evidence that demonstrate performance and corrective actions are satisfactorily achieved. A review of the field elements' responses noted that several lacked an understanding of safety and quality integration and how to use feedback systems to drive improvement in performance and safety.

In April 2003, EM also requested and received copies of the field elements' assessments of the contractors' CAMS. EM HQ is currently evaluating the field elements' assessment reports for adequacy. This item is considered closed.

**ATTACHMENTS TO ENCLOSURE**

**Office of Safety and Engineering  
Memorandum dated  
April 30, 2003  
(QAIP 1.3.6)**

**Office of Environmental Management  
Memorandum dated  
May 23, 2003  
(QAIP 1.3.2)**

# memorandum

DATE: April 30, 2003

REPLY TO  
ATT. OF: EM-5

SUBJECT: Self-Assessment of the Office of Environmental Management (EM) Headquarters and Field Element Management (FEM) Corrective Action Management Systems

TO: Jessie H. Roberson, Assistant Secretary for Environmental Management (EM)

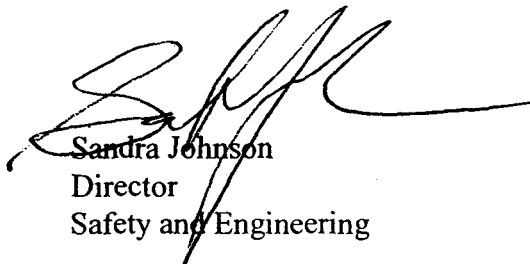
The purpose of this memorandum is to submit to you the results of the self-assessment of EM Headquarters and field office Corrective Action Management Systems. The self-assessment was performed by the Office of Safety and Engineering (EM-5) during the week of April 22 - 25, 2003. This assessment satisfies part one of the EM Quality Assurance Improvement Plan (QAIP), Item # 1.3.5, "*Corrective Action Management System DOE Self-Assessments and DOE Contractor Oversight Assessment.*"

## OVERALL RESULTS:

In October 2001, EM established its policy/expectations for content and implementation of Corrective Action Plans (CAP), including the basis for CAP approval. CAP submitted for approval have undergone a rigorous review for content and accuracy that resulted in several CAP being rejected, re-written and resubmitted for approval. EM has made significant improvements in monitoring, tracking, approving and completing corrective action items in CAP. EM has committed to use the Department of Energy Corrective Action Tracking System (CATS) to track and monitor progress toward completion and closure of CAP corrective action items. As of this assessment EM has no overdue CAP pending approval and has no late corrective action items. This is the first time in more than a year that any Assistant Secretary has had no late corrective action items. EM continues to show improvement in addressing CAP and corrective action items.

In addition to using the Department's Corrective Action Tracking System, EM has also developed performance measures to monitor and track performance, correction and improvement. EM is striving to build "thinking systems" that understand and predict behaviors during work performance and drive improvement rather than a compliance mind set.

Attached is a copy of the self-assessment report. If you have any questions please call me at 6-0651.



Sandra Johnson  
Director  
Safety and Engineering

Attachment

cc:  
Paul Golan, EM-3  
L. Vaughan, EM-5

**OFFICE OF ENVIRONMENTAL MANAGEMENT (EM) SELF-ASSESSMENT  
OF CORRECTIVE ACTION MANAGEMENT SYSTEMS**

**PURPOSE:** To evaluate the Office of Environmental Management (EM) Headquarters (HQ) and Field Element Management (FEM) corrective action management systems and how EM HQ use various data streams to measure feedback and improvement. This assessment satisfies one part of the EM Quality Assurance Improvement Plan (QAIP), Item # 1.3.5, "*Corrective Action Management System DOE Self-Assessments and DOE Contractor Oversight Assessment.*"

**SCOPE:** Corrective Action Tracking System (CATS); Computerize Accident/Incident Reporting System (CAIRS); and FEM corrective action management systems

**DATES SELF-ASSESSMENT PERFORMED:** April 22 - 25, 2003

**SELF-ASSESSMENT PERFORMED BY:** Larry D. Vaughan

**DOCUMENTS REVIEWED:**

- EM 1<sup>st</sup> Quarter FY 2003 Quarterly Operational Safety Report
- EM 4<sup>th</sup> Quarter FY 2002 Quarterly Operational Safety Report
- 2<sup>nd</sup> Quarter Corrective Action Management Program Report - April 2003
- 1<sup>st</sup> Quarter Corrective Action Management Program Report - January 2003
- 4<sup>th</sup> Quarter Corrective Action Management Program Report - October 2002
- 3<sup>rd</sup> Quarter Corrective Action Management Program Report - July 2002
- 2<sup>nd</sup> Quarter Corrective Action Management Program Report - April 2002
- 1<sup>st</sup> Quarter Corrective Action Management Program Report - January 2002
- FEM Responses to EM-1 Memorandum dated 12/19/02, *Submittal of Annual Integrated Safety Management System (ISMS) Declarations*
- FEM Responses to EM-1 Memorandum dated 12/11/02, *Quality Improvement Management Concerns*

## **RESULTS:**

### **1. Self-Assessment of EM HQ Corrective Action Management Systems:**

**CATS** - In October 2001, EM established its policy/expectations for content and implementation of Corrective Action Plans (CAP), including the basis for CAP approval. CAP submitted for approval have undergone a rigorous review for content and accuracy that resulted in several CAP being rejected, re-written and resubmitted for approval. EM has made significant improvements in monitoring, tracking, approving and completing corrective action items in CAP. EM has committed to use the Department of Energy Corrective Action Tracking System (CATS) to track and monitor progress toward completion and closure of CAP corrective action items. As of this assessment EM has no overdue CAP pending approval and has no late corrective action items. This is the first time in more than a year that an Assistant Secretary has no late corrective action items. EM continues to show improvement in addressing CAP and corrective action items (see attached chart).

### **2. Assessment of FEM Corrective Action Management System:**

**ISMS** - EM monitors and tracks FEM ISMS Declaration CAPs that includes Corrective Action Management improvement items. In December 2002, EM requested the FEM to submit their ISMS Declaration memorandum for review and approval. Several ISMS Declaration memorandums identified weaknesses or areas for improvements. The following sites identified weaknesses in Corrective Action Management Systems - Idaho, Office of River Protection, Richland, and Rocky Flats. The ISMS Declaration memorandums were found to be fundamentally unacceptable. The responses generally seem to indicate a systematic compliance mindset. EM is striving to build "thinking systems" that understand and can predict behavior during work performance. The FEM have been requested to resubmit their ISMS Declaration memorandum. EM will continue to monitor and track the status of ISMS Declaration status and weaknesses or areas for improvements identified by the FEM.

**Quality Assurance** - In December 2002, EM requested the FEM to submit a report to identify measures/actions being taken to achieve and evaluate Quality Improvement in accordance with the QA Rule and DOE Order 414.1A for FY 2003. The FEM were also requested to provide a schedule of planned and completed self-assessments and oversight activities that demonstrates performance and corrective actions are satisfactorily achieved. The FEM reports were found to be unacceptable in the following areas - identifying requirements, promulgating requirements into implementing procedures, demonstrating performance and corrective actions are satisfactorily achieved. EM is in the process of writing a memorandum requesting the FEM to resubmit their reports to address Quality Improvement concerns. The memorandum should be signed and issued in May 2003. EM will continue to monitor and track



the status of FEM commitments to address Quality Improvement concerns and re-assess the effectiveness of the FEM re-submitted Corrective Action Management System.

### **3. FEM Oversight of Contractors' Corrective Action Management System:**

Field elements perform assessments of their contractors' Corrective Action Management Systems. EM has requested the FEM to submit to HQ a copy of the latest assessment performed of the contractors' Corrective Action Management Systems.

### **4. OVERALL RESULTS:**

In October 2001, EM established its policy/expectations for content and implementation of Corrective Action Plans (CAP), including the basis for CAP approval. CAP submitted for approval have undergone a rigorous review for content and accuracy that resulted in several CAP being rejected, re-written and resubmitted for approval. EM has made significant improvements in monitoring, tracking, approving and completing corrective action items in CAP. EM has committed to use the Department of Energy Corrective Action Tracking System (CATS) to track and monitor progress toward completion and closure of CAP corrective action items. As of this assessment EM has no overdue CAP pending approval and has no late corrective action items. This is the first time in more than a year that any Assistant Secretary has had no late corrective action items. EM continues to show improvement in addressing CAP and corrective action items.

In addition to using the Department's Corrective Action Tracking System, EM has also developed performance measures to monitor and track performance, correction and improvement. EM is striving to build "thinking systems" that understand and predict behaviors during work performance and drive improvement rather than a compliance mind set.

**OFFICE OF ENVIRONMENTAL MANAGEMENT (EM) SELF-ASSESSMENT OF THE**

**DEPARTMENT OF ENERGY'S CORRECTIVE ACTION MANAGEMENT PROGRAM**

**CORRECTIVE ACTION TRACKING SYSTEM (CATS)**

<b>Report ID and Date</b>	<b>New Assessment Reports this Quarter</b>	<b>CAP Pending Approval - overdue</b>	<b>CAP Pending Approval - on schedule</b>	<b>Approved CAP - Completion overdue</b>	<b>Approved CAP - Completed this Quarter</b>	<b>Late Corrective Actions</b>	<b>COMMENTS:</b>
2 <sup>nd</sup> Quarter FY 2003	0	0	0	0	1	0	1 <sup>st</sup> time in over a year an Assistant Secretary has no late corrective action items.
1 <sup>st</sup> Quarter FY 2003	0	0	0	1	2	5	
4 <sup>th</sup> Quarter FY 2002	0	1	0	1	1	6	
3 <sup>rd</sup> Quarter FY 2002	0	4	0	0	1	26	
2 <sup>nd</sup> Quarter FY 2002	1	2	0	1	1	7	
1 <sup>st</sup> Quarter FY 2002	0	4	0	1	2	9	

# Memorandum

DATE: May 23, 2003

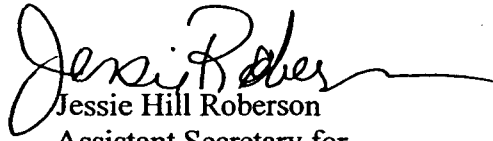
REPLY TO  
ATTN OF: EM-1 (Michael Weis, 301-903-7102)

SUBJECT: Environmental Management Project Oversight and Assessment Policy

TO: Distribution

The purpose of this memorandum is to promulgate guidance and internal policy on project oversight and assessment for Environmental Management activities (attached). Please ensure that appropriate actions are taken to develop and implement changes to existing systems as necessary to meet these requirements and provide written notification of completion of these actions to Paul Golan by July 18, 2003.

If you have any questions, please call Paul Golan at (202) 586-7709.

  
Jessie Hill Roberson  
Assistant Secretary for  
Environmental Management

Attachment

Distribution

Elizabeth D. Sellers, Manager, Idaho Operations Office (ID)  
Robert F. Warther, Manager, Ohio Field Office (OH)  
Keith A. Klein, Manager, Richland Operations Office (RL)  
Roy J. Schepens, Manager, Office of River Protection (ORP)  
Eugene C. Schmitt, Manager, Rocky Flats Field Office (RF)  
Jeffrey M. Allison, Manager, Savannah River Operations Office (SR)  
Dr. Inés Triay, Manager, Carlsbad Field Office (CBFO)  
William E. Murphie, Manager, Portsmouth/Paducah Project

cc:

Marvin E. Gunn, Jr., Manager, Chicago Operations Office (CH)  
Kathleen Carlson, Manager, Nevada Site Office (NV)  
Camille Yuan-Soo Hoo, Manager, Livermore Site Office (LSO)  
Gerald Boyd, Manager, Oak Ridge Operations Office (OR)  
James S. Hirahara, Director, National Nuclear Security Administration Service Center (NNSASC)  
Anibal Taboas, Assistant Manager, Office of Program and Project Management,  
Chicago Operations Office (CH)  
Carl Gertz, Assistant Manager for Environmental Management,  
Nevada Site Office (NV)  
Stephen McCracken, Assistant Manager for Environmental Management,  
Oak Ridge Operations Office (OR)

## **Environmental Management Project Oversight and Assessment Policy**

**Purpose:** The Office of Environmental Management (EM) is responsible for stabilizing materials, disposing of waste, and remediating the risks associated with cleaning up the Department of Energy's former nuclear weapons program legacy. EM is the line manager for all these activities and is accountable for safety and project performance from the Assistant Secretary to the worker performing the work. EM utilizes contracts and oversight of contractor activities to maintain line management responsibility. Project oversight and assessment is a critical element in ensuring the reduction of risk provided by EM work activities is accomplished safely and efficiently. EM personnel monitor performance of the contractors completing work and use appropriate contract mechanisms to incentivize, reward, and correct contract deficiencies. Oversight and assessment are essential elements of conducting operations, just as safety and efficiency are precursors to performing work.

**Scope:** This policy is designed to function as a framework within which all EM programs will operate. This policy is intended to build online management functions, defined in the Function Responsibilities and Authority Manual (FRAM), and the Integrated Safety Management (ISM) and Program and Project Management for the Acquisition of Capital Assets (DOE Order 413.3) policies and implementing procedures. It is intended that these programs will be tailored to meet specific project and site needs.

**Policy:** Project oversight and assessment are key components of line management functions associated with completing work, which accelerates reduction of legacy risk and meets the ultimate object of completing all EM program work. The line management functions flow from the Assistant Secretary through the Chief Operating Officer to the Federal field offices at work sites and to site contractors. Each level of line management must establish systems to provide added value to each project by independently evaluating performance of the descending level of the line organization, with an objective of identifying and stopping problems before they occur. Oversight systems should facilitate improvement not merely provide status or information. Headquarters oversight should provide a strategic investment perspective utilizing independent analysis of field performance, while field office managers need more detailed, also independent, direct oversight processes as line managers at the work site. The oversight/assessment systems at Headquarters and in the field must meet the following core criteria:

- Integrate principles of ISM and principles of Program and Project Management of the Acquisition of Capital Assets.
- Provide independent performance analysis of the descending level of the line organization (normally DOE field offices for Headquarters and the contractor for the field offices).
- Utilize simple systems with graded applications grounded in a few critical indicators, adding value by analyzing trends in the descending line organization's performance.
- Evaluate all aspects of project from planning to work performance and improvement focused on performance trends against the projects own performance and demanding positive project trend (status quo not acceptable).

- Design to self-identify major issues, and not rely on external organizations for problem identification.
- Identify performance trends and demands correction by responsible line organization.
- Based on project structure of PBS and WBS.
- Based on, and integrated with, contracts and systems that facilitate appropriate contract actions.

**Accountability:** The Assistant Secretary and Chief Operating Officer are accountable for ensuring that oversight and assessment systems are in place for each EM project element. Field element managers are accountable for ensuring work is conducted safely and efficiently using clear contract mechanisms and independent oversight and assessment systems to complete risk reduction work.