

Department of Energy

Washington, DC 20585

January 19, 2005

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

Dear Mr. Chairman:

As you know, the Board and the Department for some time now have been working together to resolve the Board's concerns over proposed revisions to Department of Energy Order 251.1A, Directives System, regarding the applicability of directive requirements to contracts. While a number of issues still remain unresolved, I believe the best course of action at this time is for the Department to withdraw the currently proposed revisions to the Order. Although we intend to subsequently submit for comment newly drafted revisions to this Order to address other administrative matters, the new draft will not affect matters of directive applicability or subcontracting.

Thank you for your interest in this matter. We look forward to continuing to work with you.

Sincerely.

Susan J. Graht

Director, Office of Management, Budget and Evaluation/Chief Financial Officer

cc:

L. Otis, GC-1 M. Whitaker, DR-1

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