

The Secretary of Energy Washington, DC 20585

July 24, 2006

The Honorable A. J. Eggenberger Chairman Defense Nuclear Facilities Safety Board 625 Indiana Avenue, NW, Suite 700 Washington, DC 20004-2941

Dear Mr. Chairman:

In June 2005, I provided you with a copy of the Department's revised Implementation Plan to Improve Oversight of Nuclear Operations in response to Board recommendation 2004-1. Since that time, the Department has completed numerous planned actions and has learned from this experience how best to sustain real improvement in this area. Based on the feedback to date, we are preparing to make a course correction on our implementation plan to improve its effectiveness and to bolster line management accountability. To this end, we plan to revise our 2004-1 implementation plan and provide you with this revision by September 2006. I have directed Mr. Mark B. Whitaker to serve as the Department's responsible manager for this effort.

The Department is currently re-considering several planned actions in the 2004-1 plan and expects to make changes. The enclosure identifies several near-term actions that are under review for potential modification and will not be completed on the schedule provided in the June 2005 plan. The Department's final decision, basis, and path forward for these commitments will be provided along with the revised 2004-1 implementation plan. In addition, the enclosure also provides the Department's revised schedules for other existing 2004-1 commitments.

Should you have any questions about our path forward, please do not hesitate to contact me or have your staff contact Mr. Mark B. Whitaker at (202) 586-3887.

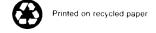
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Sincerely,

Samuel W. Bodman

Enclosure

cc: Mark B. Whitaker



Near-Term 2004-1 Commitments That Are Under Review

These commitments are not yet due; however the Department is reconsidering whether and how to complete these commitments. The Department plans to issue a revised implementation plan addressing the path forward on these commitments by September 2006.

| Commitment # | Commitment Title | Status |
|--------------|------------------------------|---|
| 5 | Draft and Issue DOE Safety | This commitment is under review and will not be |
| | Oversight Manual | completed on the currently planned schedule. The |
| | | path forward on this commitment will be provided in |
| | | the 2004-1 implementation plan revision. |
| 14 | Commission an emeritus-level | This commitment is under review and will not be |
| | panel to review federal | completed on the currently planned schedule. The |
| | technical capability | path forward on this commitment will be provided in |
| | | the 2004-1 implementation plan revision. |
| 27 | Complete comprehensive ISM | This commitment is under review and will not be |
| | reviews at an EM site and an | completed on the currently planned schedule. The |
| | NNSA site | path forward on this commitment will be provided in |
| | | the 2004-1 implementation plan revision. |
| 29 | Provide an annual summary of | This commitment is under review and will not be |
| | 2004-1 activities | completed on the currently planned schedule. The |
| | | path forward on this commitment will be provided in |
| | | the 2004-1 implementation plan revision. |

Overdue 2004-1 Commitments That Are Under Review

The Department is reconsidering whether and how to complete these commitments. The Department plans to issue a revised implementation plan addressing the path forward on these commitments by September 2006.

| Commitment # | Commitment Title | Status |
|--------------|--|--|
| 7 | Provide adequate processes and technical capabilities for the nuclear safety research function. | This commitment is under review. The path forward on this commitment will be provided in the 2004-1 implementation plan revision. |
| 22B | Issue DOE ISM Manual | The scope of this commitment is under review. The path forward on this commitment will be provided in the 2004-1 implementation plan revision. |

Overdue 2004-1 Commitments With Updated Completion Schedules

The Department is moving forward on these commitments but the current Department schedule is different from originally planned. The Department plans to issue a revised implementation plan addressing the path forward on these commitments by September 2006.

| Commitment # | Commitment Title | Status |
|--------------|--------------------------------|---|
| 2 (ESE) | Provide adequate technical | The Department will complete this action by |
| | support for the ESE Central | October 2006. |
| | Technical Authorities. | |
| 9B (NNSA) | Apply criteria for delegating | The Department will complete this action by |
| | authorities - NNSA | December 2006. |
| 10B (NNSA) | Develop QAPs for NNSA | The Department will complete this action by |
| | sites | September 2006. |
| 12 | Provide plans for the | The Department will complete this action by |
| | Department's training and | September 2006. |
| | professional development | |
| | program | |
| 28 | Provide periodic 2004-1 status | The Department will complete the next briefing by |
| | briefing | August 2006. |