

Other Defense Activities

Office of Independent Oversight and Performance Assurance

Overview

Appropriation Summary by Program

(dollars in thousands)

| | FY 2003 Comparable Appropriation | FY 2004 Original Appropriation | FY 2004 Adjustments | FY 2004 Comparable Appropriation | FY 2005 Request |
|---|--|--------------------------------------|------------------------|--|--------------------|
| Other Defense Activities | | | | | |
| Independent Oversight and Performance Assurance (OA)..... | 23,288 | 22,575 | -124 ^a | 22,451 | 23,064 |
| Departmental Representative (DR) ^b | 1,132 | 1,475 | -9 | 1,466 | 1,605 |
| <hr/> | | | | | |
| Subtotal, Other Defense Activities (OA)..... | 24,420 | 24,050 | -133 | 23,917 | 24,669 |
| <hr/> | | | | | |
| General Reduction | 0 | 0 | 0 | 0 | 0 |
| Less Use of Prior Year Balances..... | -63 | 0 | -80 | -80 | 0 |
| <hr/> | | | | | |
| Total, Other Defense Activities (OA)..... | 24,357 | 24,050 | -213 | 23,837 | 24,669 |
| <hr/> | | | | | |

Preface

The Office of Independent Oversight and Performance Assurance (OA) provides information and analysis regarding the Department of Energy's (DOE) security and safety programs and other critical functions of interest to Department management, Congressional committees, and other stakeholders. OA also provides administrative support to the Departmental Representative to the Defense Nuclear Facilities Safety Board.

Within the Other Defense Activities appropriation, the OA Program has two programs: Independent Oversight and Performance Assurance and the Departmental Representative to the Defense Nuclear Facilities Safety Board.

^a Distribution of the rescission from the Consolidated Appropriations Bill for FY 2004.

^b The FY 2004 appropriation for DR is included in the Office of Environment, Safety and Health's budget.

This Overview will describe Strategic Context, Mission, Benefits, and Significant Program Shifts. These items together put this appropriation in perspective.

Strategic Context

Following publication of the Administration's National Energy Policy, the Department developed a Strategic Plan that defines its mission, four strategic goals for accomplishing that mission, and seven general goals to support the strategic goals. As stated in the Departmental Strategic Plan, DOE's Strategic and General Goals will be accomplished not only through the efforts of the major program offices in the Department but with additional effort from offices which support the programs in carrying out the mission. OA performs critical functions, which directly support the mission of the Department. These functions include: conducting evaluations to verify that the Department's safeguards and security interests are protected; ensuring that the Department can effectively respond to emergencies; ensuring that site workers, the public, and the environment are protected from hazardous operations and materials; and providing centralized leadership in resolving Defense Nuclear Facilities Safety Board (DNFSB) issues.

Mission

The OA provides information and analysis regarding the Department of Energy's (DOE) security and safety programs and other critical functions of interest to Department management, Congressional committees, and other stakeholders. OA also provides administrative support to the Departmental Representative (DR) to the DNFSB.

Benefits

The OA benefits the Department by: identifying and reporting site-specific and Department-wide issues regarding nuclear safeguards and security; cyber security; emergency management; environment, safety and health; and other programs to senior DOE managers using an efficient systematic oversight process that emphasizes performance and performance testing; conducting follow-up activities to determining the effectiveness of corrective actions; and, promoting line management self-assessment activities thereby enhancing overall performance in nuclear safeguards and security; cyber security; emergency management; and environment, safety and health programs.

The DR benefits the Department by providing effective cross-organizational leadership in resolving DNFSB-related technical and management issues necessary to ensure public health and safety.

As a corporate resource, OA conducts evaluations to verify that the Department's safeguards and security interests are protected, and the Department can effectively respond to emergencies, and that site workers, the public and the environment are protected from hazardous operations and materials. OA is organizationally independent of the DOE offices that develop and implement policy and programs, and therefore, can objectively observe and report on these policies and programs as they relate to Departmental operations. The assessments conducted by OA complement but do not replace DOE line management's responsibility for security and safety program oversight and self-assessments as required

by Integrated Safeguards and Security Management (ISSM) and Integrated Safety Management (ISM) systems implemented throughout the Department.

Significant Program Shifts

The OA has been asked by the Secretary and senior Departmental managers to conduct reviews and provide Continuity of Government Programs and serve as the Independent Review Official for the Department's Competitive Sourcing/A-76 process.

The DR is a direct report to the Secretary and Deputy Secretary of Energy. The Secretary of Energy approved a change in the Department's organization in March 2003 to formalize this reporting relationship, functionally in place since 1997, and to establish DR as a stand-alone organization. Previously, DR was part of the Office of Environment, Safety and Health (EH). On October 1, 2003, the provision of administrative support to DR in the area of budget, personnel, information technology support, and procurement transitioned from EH to OA.

Other Defense Activities
Office of Independent Oversight and Performance Assurance

Funding by Site by Program

(dollars in thousands)

| | FY 2003 | FY 2004 | FY 2005 | \$ Change | % Change |
|---|---------|---------|---------|-----------|----------|
| NNSA Service Center ^a | | | | | |
| Honeywell | | | | | |
| OA..... | 750 | 250 | 250 | 0 | 0.0% |
| Total, NNSA Service Center | 750 | 250 | 250 | 0 | 0.0% |
| Richland Operations Office | | | | | |
| Pacific Northwest National Laboratory | | | | | |
| OA..... | 250 | 250 | 250 | 0 | 0.0% |
| Total, Richland Operations Office | 250 | 250 | 250 | 0 | 0.0% |
| Washington Headquarters | | | | | |
| OA | 22,288 | 21,951 | 22,564 | +613 | +2.8% |
| DR | 1,132 | 1,466 | 1,605 | +139 | +9.5% |
| Other Defense Activities | 23,420 | 23,417 | 24,169 | +752 | +3.2% |
| General Reduction | 0 | 0 | 0 | 0 | 0.0% |
| Less Use of Prior Year Balances..... | -63 | -80 | 0 | +80 | +100% |
| Total, Washington Headquarters | 23,357 | 23,337 | 24,169 | +832 | +3.6% |
| <hr/> | | | | | |
| Total, Other Defense Activities (OA)..... | 24,357 | 23,837 | 24,669 | +832 | +3.5% |

^a On December 20, 2002, the National Nuclear Security Administration (NNSA) disestablished the Albuquerque, Oakland, and Nevada Operations Offices; renamed existing area offices as site offices; established a new Nevada Site Office; and established a single NNSA Service Center to be located in Albuquerque.

Site Description

NNSA Service Center

The NNSA Service Center is located on Kirtland Air Force Base in Albuquerque, New Mexico. The primary mission continues to be stewardship and maintenance of the nation's nuclear weapons stockpile.

Honeywell, Federal Manufacturing and Technologies

Honeywell is located on Kirtland Air Force Base in Albuquerque, New Mexico. Honeywell provides maintenance, storage, and delivery of Multiple Integrated Laser Engagement System (MILES) equipment used by OA. This equipment is used to simulate weapons fire in tactical field exercises that support the assessment of the overall effectiveness of field protection programs.

Richland Operations Office

Richland Operations Office, located in Richland, Washington, manages waste products and develops and applies commercialized technologies.

Pacific Northwest National Laboratory

Pacific Northwest National Laboratory (PNNL), located in Richland, Washington, develops oversight processes and protocols that are used for OA program implementation, planning, and analysis of evaluation results and trends. PNNL also provides technical support for OA special studies and reviews.

Washington Headquarters

The evolving short-term needs for national-level expertise in a multitude of disciplines can best be met through the use of contractors who can rapidly respond to the continually changing skills required of independent oversight activities across the DOE complex. Contractor support provides a practical and cost-effective method of providing a surge pool of technical expertise in specific safety and security disciplines for conducting oversight activities at DOE facilities. These activities include nuclear safeguards and security; cyber security; emergency management; and environment, safety, and health oversight. OA also provides program direction for the Federal staff, including salaries, benefits, travel, training, Working Capital Fund, and other personnel-related expenses.

Program Direction

Independent Oversight and Performance Assurance (OA)

Funding Profile by Category

(dollars in thousands)

| | FY 2003 | FY 2004 | FY 2005 | \$ Change Whole FTEs | % Change |
|----------------------------------|---------|---------|---------|-------------------------|----------|
| OA | | | | | |
| NNSA Service Center | | | | | |
| Salaries and Benefits | 0 | 0 | 0 | 0 | 0.0% |
| Travel | 0 | 0 | 0 | 0 | 0.0% |
| Support Services | 750 | 250 | 250 | 0 | 0.0% |
| Other Related Expenses | 0 | 0 | 0 | 0 | 0.0% |
| Total, NNSA Service Center | 750 | 250 | 250 | 0 | 0.0% |
| Full Time Equivalents | 0 | 0 | 0 | 0 | 0.0% |
| Richland Operations Office | | | | | |
| Salaries and Benefits | 0 | 0 | 0 | 0 | 0.0% |
| Travel | 0 | 0 | 0 | 0 | 0.0% |
| Support Services | 250 | 250 | 250 | 250 | 0.0% |
| Other Related Expenses | 0 | 0 | 0 | 0 | 0.0% |
| Total, Richland | 250 | 250 | 250 | 250 | 0 |
| Full Time Equivalents | 0 | 0 | 0 | 0 | 0 |
| Headquarters | | | | | |
| Salaries and Benefits | 7,562 | 8,174 | 8,619 | +445 | +5.4% |
| Travel | 943 | 800 | 800 | 0 | 0.0% |
| Support Services | 12,512 | 11,676 | 11,800 | +124 | +1.1% |
| Other Related Expenses | 1,271 | 1,301 | 1,345 | +44 | +3.4% |
| Total, Headquarters | 22,288 | 21,951 | 22,564 | +613 | +2.8% |
| Full Time Equivalents | 66 | 66 | 66 | 0 | 0.0% |

(dollars in thousands)

| | FY 2003 | FY 2004 | FY 2005 | \$ Change Whole FTEs | % Change |
|---|---------|---------|---------|-------------------------|----------|
| Total, Program Direction | | | | | |
| Salaries and Benefits | 7,562 | 8,174 | 8,619 | +445 | +5.4% |
| Travel | 943 | 800 | 800 | 0 | 0.0% |
| Support Services | 13,512 | 12,176 | 12,300 | +124 | +1.0% |
| Other Related Expenses | 1,271 | 1,301 | 1,345 | +44 | +3.4% |
| Subtotal Program Direction | 23,288 | 22,451 | 23,064 | +613 | +2.7% |
| General Reduction | 0 | 0 | 0 | 0 | 0.0% |
| Less Use of Prior Year Balances..... | -63 | -80 | 0 | +80 | +100% |
| Total, Program Direction | 23,225 | 22,371 | 23,064 | +693 | +3.1% |
| Total, Full Time Equivalents | 66 | 66 | 66 | 0 | 0.0% |

Mission

Program Direction provides the Federal Staffing resources and associated costs required to provide overall direction and execution of OA. OA provides accurate and comprehensive information and analysis regarding the effectiveness, vulnerabilities, and trends of the Department's nuclear safeguards and security; cyber security; emergency management; environment, safety and health programs; and other critical functions of interest to the Department Secretary, the Deputy Secretary, the Under Secretary, the Administrator of the National Nuclear Security Administration (NNSA), Congressional committees, and other stakeholders, such as the Defense Nuclear Facilities Safety Board.

As a corporate resource, OA conducts evaluations to verify that the Department's safeguards and security interests are protected, that the Department can effectively respond to emergencies, and that site workers, the public, and the environment are protected from hazardous operations and materials. OA is organizationally independent of the DOE offices that develop and implement policy and programs (i.e., Environment, Safety and Health; and Emergency Management) and, therefore, can objectively observe and report on these policies and programs as they relate to Departmental operations. The assessments conducted by OA complement but do not replace DOE line management's responsibility for security and safety program oversight and self-assessments as required by Integrated Safeguards and Security Management (ISSM) and Integrated Safety Management (ISM) systems implemented throughout the Department. The assessment processes utilized by OA are governed by documented, formal protocols addressing all phases of assessment activities. These processes are also conducive to changing conditions and the needs of the Department. A well trained and experienced Federal staff, complemented by contractor national-level experts, implement OA assessment processes, which emphasizes performance and performance testing. OA personnel observe operations and conduct performance tests to validate the effectiveness of safety and security programs and policies. The end

products of OA efforts are reports documenting the assessment activities conducted, the results of assessments, and opportunities for improvement.

As stated in the Departmental Strategic Plan, DOE’s Strategic and General Goals will be accomplished not only through the efforts of the major program offices in the Department but with additional effort from offices which support the programs in carrying out the mission. OA performs critical functions which directly support the mission of the Department. These functions include conducting evaluations to verify that the Department’s safeguards and security interests are protected, that the Department can effectively respond to emergencies, and verifying that site workers, the public, and the environment are protected from hazardous operations and materials.

Detailed Justification

(dollars in thousands)

| FY 2003 | FY 2004 | FY 2005 |
|---------|---------|---------|
|---------|---------|---------|

| | | | |
|------------------------------------|--------------|--------------|--------------|
| Salaries and Benefits | 7,562 | 8,174 | 8,619 |
|------------------------------------|--------------|--------------|--------------|

Salaries and benefits for FY 2005 provide for 66 Federal full-time equivalents (FTEs) with the required technical expertise needed to carry out the essential OA mission of providing the Department with independent oversight capability across the DOE complex through evaluations and other reviews, techniques and methodologies. Salaries and benefits include the economic assumptions provided by the Office of Management and Budget. Funds for full-time permanent employees include salaries and other personnel benefits such as: cash incentive awards, lump sum payments, Senior Executive Service and other performance awards, and worker’s compensation.

| | | | |
|---------------------|------------|------------|------------|
| Travel | 943 | 800 | 800 |
|---------------------|------------|------------|------------|

Travel requirements are necessary for the performance of various field activities; for example, all evaluations across the DOE complex. Travel includes all costs of transportation, subsistence, and incidental travel expenses of OA Federal employees in accordance with Federal Travel Regulations.

(dollars in thousands)

| FY 2003 | FY 2004 | FY 2005 |
|---------|---------|---------|
|---------|---------|---------|

Other Related Expenses **1,271** **1,301** **1,345**

Other related expenses include training for Federal staff, the Working Capital Fund, and the Online Learning Center, the Corporate Human Resources Information System, and other services procured, such as computer equipment. The information technology investments support the Federal staff at Headquarters by providing support and maintenance of hardware, software, hotline, and other desktop maintenance. Other Related Expenses also provides funding for the Working Capital Fund based on guideline estimates issued by the Working Capital Fund Manager. It also covers non-discretionary prorated costs such as space utilization, computer and telephone usage, mail service, supplies, and electronic services. Funding also supports OA office expenditures for printing and reproduction, telecommunications needs and automated data processing maintenance. The Working Capital Fund was established in FY 1997 to allocate the cost of common administrative services to the recipient organizations.

Support Services..... **13,512** **12,176** **12,300**

The evolving short-term needs for national-level expertise in a multitude of disciplines can best be met through the use of contractors who can rapidly respond to the continually changing skills required of independent oversight activities across the DOE complex. Contractor support provides a practical and cost-effective method of providing a surge pool of technical expertise and specific safety and security disciplines for conducting oversight activities at DOE.

Nuclear Safeguards and Security Evaluations . **7,145** **6,033** **6,033**

The OA Office of Safeguards and Security Evaluations performs regular and special reviews of nuclear safeguards and security programs at DOE, including NNSA sites, that have significant amounts of special nuclear material, classified information, or other security interests. The scope of the reviews includes any or all aspects of nuclear safeguards and security, including physical protection of special nuclear material, accountability of special nuclear material, protection of classified and sensitive information, personnel security, protective forces, foreign visits and assignments, and protection program management.

The OA nuclear safeguards and security oversight functions directly relate to DOE national security strategic goals. The Department considers the OA program to be a catalyst for improvement. OA has directly contributed to significant reductions in the recurrence of nuclear safeguards and security issues, and effectively supports the maintenance of a safe, secure, and reliable weapons stockpile. As a direct result of the experiences and expertise developed, OA is able to provide tools and share information (handbooks, videotapes, and lessons learned) with numerous organizations within the Department. This important

(dollars in thousands)

| FY 2003 | FY 2004 | FY 2005 |
|---------|---------|---------|
|---------|---------|---------|

information sharing effort has resulted in a substantial increase in the effectiveness of field self-assessment and survey programs. OA proactively evaluates events and activities that have an impact on security and continues to revise and refine evaluation methods and procedures that focus on the principal elements of the safeguards and security program.

The OA performs reviews and studies of policies and programs, and their implementation in the field to effect program corrections. These activities often include performance tests using weapons simulation systems to perform realistic tactical security engagements between a specially trained composite adversary force developed by OA and the inspected site protection force to assess overall security performance effectiveness (force-on-force exercises). Findings associated with these programs are maintained in a database to track corrective actions and assist in measuring improvement throughout the Department in these critical areas. Also, these activities provide onsite hardware and software for field evaluations including both classified and unclassified processing.

In FY 2003, evaluations were conducted at: Argonne National Laboratory–West, Los Alamos National Laboratory, Savannah River, Argonne National Laboratory–East, Hanford, Pacific Northwest National Laboratory, and Sandia National Laboratory.

Cyber Security Evaluations 967 967 967

The OA Office of Cyber Security and Special Reviews performs regular evaluations of the effectiveness of classified and unclassified cyber security policies and programs, including network protection, risk management, technical implementation, and configuration management at DOE, including NNSA, sites. OA establishes and maintains a program for assessing Internet security, including offsite scanning and controlled penetration attempts to detect vulnerabilities that could be exploited by hackers. OA evaluates individual sites and networks that connect DOE sites.

Cyber security evaluations are directly related to the Department’s national security strategic goal. These evaluations are directly dedicated to multi-faceted reviews of cyber security program performance, including unannounced inspections, offsite monitoring of Internet security, controlled attempts to penetrate security firewalls, and other measures.

The OA conducts performance testing at DOE sites and from remote vulnerability testing networks connected to the Internet. The focus of performance testing includes identification of network vulnerabilities that could be exploited; evaluation of the effectiveness of firewalls, evaluation of intrusion detection and system monitoring capabilities; and evaluation of other aspects of network security. OA maintains state-of-the-art testing capabilities in its remote

(dollars in thousands)

| FY 2003 | FY 2004 | FY 2005 |
|---------|---------|---------|
|---------|---------|---------|

cyber security facilities, which can conduct penetration testing, and via a suite of deployable cyber security testing equipment that can be used to support onsite performance testing during assessments of DOE networks. It is essential to have the necessary computer hardware and software for an effective cyber security program. OA plans to perform continuous cyber security inspections, including unannounced inspections, offsite monitoring of Internet security, and penetration tests at major Departmental sites and across DOE networks.

The office conducts performance testing at DOE sites being assessed or from the OA remote vulnerability testing facilities connected to the Internet. The focus of performance testing includes identification of network vulnerabilities that could be exploited; evaluation of the effectiveness of firewalls; evaluation of intrusion detection and system monitoring capabilities; and evaluation of other aspects of network security. To be effective, it is necessary for OA to maintain state-of-the-art testing capabilities, to include hardware and software support, in its remote cyber security laboratories and a suite of deployable cyber security testing equipment that can be used to support onsite performance testing during assessments of DOE networks.

Cyber security performance testing capability is necessary to meet current operational demands and make improvements to the remote vulnerability testing program. The program simulates architectures and evaluates exploitation techniques associated with potential vulnerabilities, including the ability to introduce malicious code. The penetration assessment network is a multi-faceted offensive/defensive computer security network resource with capabilities consistent with both the attack resources employed by the hacker community, and the practices and systems of the computer security industry.

In FY 2003, evaluations were conducted at: Los Alamos National Laboratory, Savannah River, Chicago Operations Office, Argonne National Laboratory – East, Hanford, Pacific Northwest National Laboratory, and Sandia National Laboratories – New Mexico. A special study to identify and evaluate the DOE Internet perimeter, at approximately 50 sites, was initiated in cooperation with the Office of the Chief Information Officer. A special study was conducted to evaluate the security of wireless computer networking within DOE. Additionally, a complex-wide evaluation of classified cyber security; and unannounced penetration testing (“red-teaming”) is in progress.

(dollars in thousands)

| FY 2003 | FY 2004 | FY 2005 |
|---------|---------|---------|
|---------|---------|---------|

Emergency Management Oversight..... 800 800 800

The OA Office of Emergency Management Oversight provides independent oversight of all aspects of emergency management programs, including hazards assessment, protective actions, emergency response, emergency public information, and offsite interfaces. OA also evaluates the effectiveness of emergency management programs through table top and full participation exercises conducted at the inspected site.

Emergency Management evaluations are directly related to the Department's national security strategic goal. Emergency management reviews are conducted to ensure that the Secretary of Energy and other senior managers have an accurate picture of the effectiveness of the DOE comprehensive emergency management system. Extensive evaluations conducted by this oversight function have significantly contributed to the enhanced emergency management readiness and response at individual sites, within program and field offices, and across the DOE complex.

The OA performs inspections of critical emergency management operations at DOE Headquarters and DOE field sites having significant amounts of special nuclear material or other hazardous materials and/or operations. Additionally, OA performs reviews of crosscutting emergency management topics of increased concern in the heightened terrorist threat environment.

In FY 2003, evaluations were conducted at: the Nevada Test Site, Pantex Plant, Sandia National Laboratories – New Mexico, Idaho National Engineering and Environmental Laboratory, and East Tennessee Technology Park. OA conducted an independent review and exercise of the DOE Headquarters emergency response plans and procedures and the Headquarters continuity of operations procedures.

Environment, Safety and Health Evaluations .. 4,000 3,876 4,000

The OA Office of Environment, Safety and Health Evaluations focuses on integrated safety management implementation; environment, safety, and health performance; and relevant environment, safety, and health topics such as radiation protection, criticality safety, industrial hygiene, and occupational medicine. These evaluations identify issues and problems that may have complex-wide implications and result in Department-wide corrective actions to promote the protection of workers, the public, and the environment.

As part of the integrated safety management review, OA focuses on management systems such as self-assessments, lessons learned, deficiency tracking, root cause analysis, and

reporting of compliance deficiencies and events. OA promotes improvement in these management systems to reduce recurrences of events and accidents and promote safety. These evaluations provide a significant benefit to the Department by improving safety and assuring more efficient use of Department resources. OA evaluations involve a wide range of functional programs, processes, projects, and activities essential to the protection of workers, the public, and the environment. The assessments promote adherence to applicable Federal and State regulations and DOE and industry standards in such areas as safety and health, radiation protection, waste management, and fire protection.

The OA also performs periodic oversight of environment, safety, and health performance during all phases of major projects, such as construction, recovery and stabilization of hazardous materials, decommissioning, and environmental restoration. Environmental portions of inspections provide independent evaluations of a wide variety of environmental protection and restoration activities, including the effectiveness of environmental programs in accordance with Executive Orders. This activity results in the identification and reporting of environment, safety, and health vulnerabilities. OA also reviews authorization basis documents to determine DOE compliance with the applicable requirements of 10 CFR 803 Subpart B.

In FY 2003, evaluations were conducted at: Nevada Test Site, Pantex Plant, Sandia National Laboratories – New Mexico, Y-12, East Tennessee Technology Park, and Idaho National Engineering and Environmental Laboratory, as well as re-accreditation reviews of the medical programs at Los Alamos, Brookhaven, and Sandia National Laboratories.

Special Analysis..... 600 500 500

The OA performs special reviews and studies of policies, programs, and their implementation in the field to identify program corrections. These special studies and special reviews are often conducted at the request of the Secretary and other senior Departmental managers to examine issues and problems not normally covered by the more traditional oversight functions (i.e., safeguards and security, cyber security, emergency management, and environment, safety, and health). The results of these reviews have been of particular interest to senior DOE managers and Congress, and their evaluation and analysis by OA has resulted in substantial improvements to programs throughout DOE. As the Secretary’s lead agent for independent evaluations of DOE line management and contractor performance, OA has performed this recurring and appropriate function because it is best suited to provide an unbiased evaluation of specific Departmental issues.

Reviews completed or in progress in FY 2003 include a summary-level analysis of management practices and performance at Los Alamos, Lawrence Livermore, and Berkeley National Laboratories; DOE Headquarters continuity of operations program support to the Deputy Secretary; and analysis of Departmental management challenge corrective action plans. A special review of the suspect/counterfeit items program was conducted at both Headquarters and selected sites to evaluate the effectiveness of program implementation and guidance.

Explanation of Funding Changes

| |
|-----------------------------------|
| FY 2005 vs. FY 2004 (\$000) |
|-----------------------------------|

Salaries and Benefits

Funding requirements are commensurate with the allocation of Federal staff on OA programs. Increases for salaries and benefits are based on the latest OMB economic assumptions for Federal personnel costs. The increase is for living adjustments, locality pay, within-grade increases, lump sum payments, and awards

| | |
|--|------|
| | +445 |
|--|------|

Support Services

Funding requirements are commensurate with the priorities associated with necessary level of environment, safety, and health evaluations. This increase provides for a steady state level of evaluations in the area of Integrated Safety Management.....

| | |
|--|------|
| | +124 |
|--|------|

Other Related Expenses

Other related expenses include the Working Capital Fund (WCF), tuition/training of Federal personnel, and other services procured, such as computer equipment. The increase is based on building rental, computer equipment and supply cost increases

| | |
|--|-----|
| | +44 |
|--|-----|

| | |
|---|-------------|
| Total Funding Change, Program Direction..... | +613 |
|---|-------------|

Support Services by Category

(dollars in thousands)

| | FY 2003 | FY 2004 | FY 2005 | \$ Change | % Change |
|---------------------------------------|---------------|---------------|---------------|-------------|--------------|
| Technical Support | | | | | |
| Safeguards and Security | 7,145 | 6,033 | 6,033 | 0 | 0.0% |
| Cyber Security | 967 | 967 | 967 | 0 | 0.0% |
| Emergency Management | 800 | 800 | 800 | 0 | 0.0% |
| Environment, Safety and Health | 4,000 | 3,876 | 4,000 | +124 | +3.2% |
| Special Analyses | 600 | 500 | 500 | 0 | 0.0% |
| Total, Technical Support..... | 13,512 | 12,176 | 12,300 | +124 | +1.0% |
| Management Support | | | | | |
| Management Support | 0 | 0 | 0 | 0 | 0.0% |
| General Reduction | 0 | 0 | 0 | 0 | 0.0% |
| Less Use of Prior-Year Balances | -63 | -80 | 0 | +80 | +100.0 |
| Total, Support Services | 13,449 | 12,096 | 12,300 | +204 | +1.7% |

Other Related Expenses by Category

(dollars in thousands)

| | FY 2003 | FY 2004 | FY 2005 | \$ Change | % Change |
|--|--------------|--------------|--------------|------------|--------------|
| Tuition/Training of Federal Staff | 65 | 65 | 65 | 0 | 0.0% |
| Other Services Procured | 725 | 669 | 669 | 0 | 0.0% |
| Working Capital Fund | 481 | 567 | 611 | +44 | +7.8% |
| Total, Other Related Expenses | 1,271 | 1,301 | 1,345 | +44 | +3.4% |

Program Direction
Departmental Representative (DR)

Funding Profile by Category

(dollars in thousands)

| | FY 2003 | FY 2004 | FY 2005 | \$ Change/ Whole FTEs | % Change |
|---|--------------|--------------|--------------|--------------------------|--------------|
| Headquarters | | | | | |
| Salaries and Benefits | 642 | 760 | 790 | +30 | +3.9% |
| Travel | 25 | 25 | 25 | +0 | 0.0% |
| Support Services | 405 | 521 | 630 | +109 | +20.9% |
| Other Related Expenses | 60 | 160 | 160 | +0 | +0.0% |
| Total Headquarters | 1,132 | 1,466 | 1,605 | +139 | +9.5% |
| Full Time Equivalents | 4 | 5 | 5 | 0 | 0.0% |
| Total, Program Direction | | | | | |
| Salaries and Benefits | 642 | 760 | 790 | +30 | +3.9% |
| Travel | 25 | 25 | 25 | 0 | 0.0% |
| Support Services | 405 | 521 | 630 | +109 | +20.9% |
| Other Related Expenses | 60 | 160 | 160 | 0 | 0.0% |
| Subtotal, Program Direction ^a | 1,132 | 1,466 | 1,605 | +139 | +9.5% |
| General Reduction | 0 | 0 | 0 | 0 | 0.0% |
| Total Program Direction | 1,132 | 1,466 | 1,605 | +139 | +9.5% |
| Total, Full Time Equivalents | 4 | 5 | 5 | 0 | 0.0% |

Program Direction provides the Federal staffing resources and associated costs required to provide overall direction and execution of DR. DR reports directly to the Deputy Secretary with administrative support provided by OA.

^aThe FY 2004 House and Senate marks for DR are included in the Office of Environment, Safety and Health's budget.

Mission

The DR is the Department's exclusive focal point for complying with Congressional mandates for the Department to fully cooperate with the Defense Nuclear Facilities Safety Board (DNFSB) and to provide ready access to such facilities, personnel, and information as the DNFSB considers necessary to carry out its responsibilities. DR is also the focal point for positively addressing and resolving safety and management issues raised through DNFSB oversight so that the Department continues to improve its operations so that it can safely achieve mission objectives. Congress established the DNFSB in 1988 [Atomic Energy Act of 1954, Sections 311-321 (42 U.S.C. §2286 – 2286i)] to provide additional assurance that public health and safety are adequately protected at the Department's defense nuclear facilities. Congress gave the DNFSB broad powers and authorities to perform its primary functions: 1) review and evaluation of content and implementation of standards; 2) investigation of events and practices; 3) analysis of design and operational data; 4) review of design of new facilities; and 5) formulation of recommendations to the Secretary of Energy. The DNFSB is constituted with five members who are recognized nuclear safety experts, nominated by the President, and confirmed by Congress. The DNFSB staff is authorized for 150 technical experts, lawyers, and administrative personnel.

The DR represents and advises the Secretary, Deputy Secretary, Under Secretaries, and other Department of Energy officials in all regular and continuing interactions with the DNFSB, with the objective of obtaining useful input from the DNFSB that can lead to improved operations and mission fulfillment. DR provides technical evaluations and analysis of DNFSB safety and management issues and provides direction and advice to line managers on addressing and resolving DNFSB issues. DR monitors Department-wide performance in cooperating with the DNFSB and addressing and resolving DNFSB issues, and takes action to ensure adequacy of Department-wide performance. The DR also provides program direction for Department-wide implementation of the Department's Facility Representative Program. This program includes over 200 qualified DOE Facility Representatives providing operational oversight at hazardous facilities through the DOE complex.

As stated in the Departmental Strategic Plan, DOE's Strategic and General Goals will be accomplished not only through the efforts of the major program offices in the Department but with additional effort from offices which support the programs in carrying out the mission. DR performs critical functions which directly support the mission of the Department. These functions include providing leadership in resolving DNFSB-related technical and management issues necessary to ensure public health and safety.

Detailed Justification

(dollars in thousands)

| FY 2003 | FY 2004 | FY 2005 |
|---------|---------|---------|
|---------|---------|---------|

Salaries and Benefits..... **642** **760** **790**

Salaries and benefits include the economic assumptions provided by OMB. Funds for full-time permanent employees include salaries and other personnel benefits such as: cash incentive awards, lump sum payments, Senior Executive Service and other performance awards, and worker’s compensation.

The Federal personnel represent the Secretary of Energy in over 400 annual DOE briefings to the DNFSB and staff and approximately 150 site visits by the DNFSB and its staff. DR provides direction and advice to responsible line program managers on appropriate strategies for interfacing with the DNFSB and for resolving identified safety issues. DR identifies and supports DOE line managers and technical experts in evaluating identified safety and management issues and determining corrective actions to resolve them. DR also monitors implementation of all statutory reports (responses to DNFSB recommendations, DOE implementation plans, and responses to DNFSB reporting requirements) and identifies where additional management attention is needed. DR provides direction and final review of the adequacy of corrective actions to resolve identified DNFSB safety and management issues. DR provides overall direction and management of the Department-wide Facility Representatives program.

Travel..... **25** **25** **25**

Travel is necessary for the performance of various field activities. The travel estimate includes costs for airfare, lodging, and other travel related expenses.

Other Related Expenses **60** **160** **160**

Related expenses provide for the Working Capital Fund based on guideline estimates issued by the Working Capital Fund Manager. This funding covers non-discretionary prorated costs such as space utilization (rent costs increased), computer and telephone usage, mail service, supplies, and electronic services. This funding also supports expenditures for printing and reproduction, telecommunications needs, automated data processing, maintenance, and training for Federal staff, (including tuition costs for Federal employees). Related expenses also include support for hardware, software, (information technology investments supports the Federal staff at Headquarters by providing support and maintenance of hardware, software, hotline, and other desktop maintenance – 40K per annum), hotline, and other desktop maintenance for Federal staff at Headquarters.

(dollars in thousands)

| FY 2003 | FY 2004 | FY 2005 |
|---------|---------|---------|
|---------|---------|---------|

Support Services..... **405** **521** **630**

The DR prepares the statutorily required Annual Report to Congress on DNFSB activities. This report includes statutory notification of any implementation plans requiring more than one year to complete. The DR prepares transmittal packages for all draft DOE rules, directives, and standards that fall within the DNFSB statutory authority for review and approval. DR reviews DNFSB comments on DOE safety directives and resolves these comments with the responsible line managers so that final DOE rules, directives, and standards can be issued. The DR thoroughly reviews incoming DNFSB correspondence and outgoing DOE correspondence to identify safety and management issues that must be addressed by the Department. DR identifies and supports DOE line managers and technical experts in evaluating identified safety and management issues and determining corrective actions to resolve them. DR provides direction and final review of the adequacy of corrective actions to resolve identified DNFSB safety and management issues. The DR maintains and improves the Department's Safety Issues Management Systems (SIMS) for DNFSB-related issues, commitments, and actions. This system currently contains over 500 active Department commitments and actions related to DNFSB recommendations, reporting requirements, and other correspondence. On behalf of the Secretary, DR identifies the existence of DOE commitments to the DNFSB for inclusion in the SIMS and obtains descriptive status of commitments on a monthly basis. DR provides monthly and quarterly analysis reports to senior DOE officials on the status of existing commitments to identify those that require additional management attention or action. The SIMS database is password-protected and Internet-accessible from throughout the Department. The DR maintains and improves public web sites on DOE/DNFSB correspondence and safety issues. The main DR web site includes the Department's central repository of official DNFSB communications and makes this information available to the public and to Department and contractor personnel complex-wide. Annually, 250 to 350 pieces of DNFSB/DOE correspondence are received and made available Department-wide via the Internet. Over 4,000 documents are currently available on the web site in multiple file formats for user convenience. Documents are posted in one to three business days to facilitate prompt, effective responses and corrective action. The main DR web site also provides DNFSB points of contact, DOE interface protocols and direction, and useful information about the DNFSB. The DR provides the Facility Representative web sit with associated technical knowledge base and training aids.

Total, Program Direction..... **1,132** **1,466** **1,605**

Explanation of Funding Changes

| |
|-----------------------------------|
| FY 2005 vs. FY 2004 (\$000) |
|-----------------------------------|

Salaries and Benefits

Funding requirements are commensurate with the allocation of Federal staff and benefits based on the latest OMB economic assumptions for Federal personnel costs. The increase is for cost of living adjustments, locality pay, within-grade increases, and awards..... +30

Support Services

Specific support services funding requirements for DNFSB special analysis related to open compliance issues..... +109

Total Funding Change, Program Direction..... +139

Support Services by Category

(dollars in thousands)

| | FY 2003 | FY 2004 | FY 2005 | \$ Change | % Change |
|-------------------------------|---------|---------|---------|-----------|----------|
| Technical Support | | | | | |
| Operating..... | 405 | 521 | 630 | +109 | +20.9% |
| Total, Technical Support..... | 405 | 521 | 630 | +109 | +20.9% |
| Management Support | | | | | |
| Management Support..... | 0 | 0 | 0 | 0 | 0 |
| Total, Support Services | 405 | 521 | 630 | +109 | +20.9% |

Other Related Expenses by Category

(dollars in thousands)

| | FY 2003 | FY 2004 | FY 2005 | \$ Change | % Change |
|---|---------|---------|---------|-----------|----------|
| Tuition/Training of Federal Staff | 5 | 10 | 10 | 0 | 0.0% |
| Other Services | 10 | 25 | 25 | 0 | 0.0% |
| Working Capital Fund | 45 | 125 | 125 | 0 | 0.0% |
| Total, Other Related Expenses | 60 | 160 | 160 | 0 | 0.0% |