

memorandum

DATE: June 8, 2000

REPLY TO:
ATTN OF: NE-40

SUBJECT: Management Agreement (MA) among the Offices of Nuclear Energy, Science and Technology; Science (SC); and Defense Programs (DP) and the Oak Ridge National Laboratory (ORNL) Site Office

TO: G. Leah Dever, Manager, Oak Ridge Operations Office

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OFFICE OF THE MANAGER

4/11/00 3:00
6/12/00

In April 1999, Secretary Richardson announced a restructuring of the Department of Energy (DOE). In August 1999, Deputy Secretary Glauthier reiterated the need to have MAs in place among the lead program Secretarial officers, cognizant Secretarial officers, and field managers and issued roles and responsibilities guiding principles to support implementation of the April DOE management restructuring.

In response to and consistent with the above Secretarial direction, the attached MA for the ORNL Site was developed by my staff and coordinated with your staff and SC and DP staff. This MA formalizes existing roles and responsibilities and is not intended to provide any deviations from present actions. If there are any issues you wish to address, please contact Robert Lange of my staff at (301) 903-2915.

Deputy Secretary Glauthier requested that these MAs be put in place as soon as possible. I would, therefore, appreciate your signing and returning this MA by June 16, 2000, at which time it would become effective.



William D. Magwood, IV, Director
Office of Nuclear Energy, Science
and Technology

Attachment

cc: James F. Decker, SC-1
Thomas F. Gioconda, DP-1

FILE COPY

**MEMORANDUM OF AGREEMENT (MOA)
BETWEEN THE
OFFICE OF SCIENCE (SC),
OFFICE OF DEFENSE PROGRAMS (DP),
OFFICE OF NUCLEAR ENERGY, SCIENCE AND TECHNOLOGY (NE)
AND
OAK RIDGE NATIONAL LABORATORY (ORNL) SITE OFFICE (SITE OFFICE)
FOR LINE MANAGEMENT OF THE OPERATIONS OF THE
RADIOCHEMICAL ENGINEERING DEVELOPMENT CENTER (REDC)
AS A RECOVERY AND PURIFICATION FACILITY FOR TRANSURANIUM
ELEMENTS**

A. PURPOSE

To define the approach and respective roles and responsibilities of SC, DP, NE, and Site Office participants for line management of REDC to ensure accomplishment of the Department of Energy (DOE) mission with regard to recovery and purification facilities for transuranium elements in a safe, efficient, and cost effective manner.

B. MISSION

To provide hot cell facilities for handling transuranium elements, and serve as the production, storage, and distribution center for the DOE heavy element research program as broadly defined.

C. MANAGEMENT PHILOSOPHY

SC, DP, NE, and the Site Office shall be committed to making REDC an efficient world-class recovery, separations, and purification facility for transuranium elements with the highest level of operational safety and on-schedule operational performance. This commitment is evidenced by the following:

1. SC, as the owner of REDC, exercises overall programmatic responsibility for REDC. Overall accountability for REDC rests with SC, and SC provides programmatic funding for the Transuranium Element Program. The Office of Basic Energy Sciences (SC-10) is responsible to the Director of the Office of Science for implementing SC's programmatic direction of REDC. This includes budget and scientific program formulation, budget preparation, and program activities.
2. DP, as a program sponsor, exercises programmatic responsibility for their programs in REDC. The Office of the Associate Deputy Assistant Secretary for Nuclear Weapons Stockpile (DP-22) is responsible to the Assistance Secretary for Defense Programs for implementing DP's programmatic direction for the Mark 42 and californium-252

programs. This includes budget formulation and execution, and production program activities.

3. ~~The Director, NE,~~ is the line management entity responsible for the safety and effectiveness of REDC operations. This line management responsibility is carried out by the Associate Director, Office of Nuclear Facilities Management, NE-40. REDC provides services to the Isotope Programs (NE-70) for processing and packaging californium-252. The Isotope Programs reimburses the REDC from the californium sales proceeds based on quantity needed to meet customer demand. REDC uses the reimbursement for continued use and availability of californium-252. Estimates for production and associated costs are agreed to annually.
4. The Manager, Oak Ridge Operations Office (OR), is responsible for providing all DOE contractual direction to ORNL and for assuring that this direction is carried out in a safe and efficient manner in accordance with SC, DP, and NE direction. This line responsibility is carried out by the ORNL Site Manager who is responsible for the day-to-day operation of the facility.

D. COORDINATION

Coordination of REDC and ORNL Site Office activities is performed by the directors of the ORNL Site Office, SC-10, DP-22, and NE-40 and their staff. Cross cutting and site-wide issues that cannot be resolved at the Office Director level shall be raised to the directors of NE, SC, and the Operations Office Manager for resolution.

E. IMPLEMENTATION

1. The Director, Basic Energy Sciences, SC-10
 - Issue, jointly with NE and DP, program/facility operation guidance for each fiscal year.
 - Provide a request for funding in the corporate review budget to support the office's programmatic priorities. Landlord type costs to be shared prorata based on funding.
 - Provide funding to the facility consistent with the appropriation.
 - Participate with DP, NE, and the Site Office in annual meetings to discuss current plans and activities, specific problems hindering mission completion, budget issues, etc.
 - Provide customer satisfaction assessments of contractor activities through SC-1 on an annual basis for input into the annual ORNL appraisal.
 - Participate in monthly program coordination conference calls with the Site Office and contractor.
 - Coordinate requests for information and direction to the contractor (except specific science-related information) through the Site Office.
2. The Office the Associate Deputy Assistant Secretary for Nuclear Weapons Stockpile, (DP-22)

- Issue, jointly with SC and NE, program/facility operation guidance for each fiscal year.
- Provide a request for funding in the corporate review budget adequate on proportional basis to assure safe and reliable operation of the facility and carry out programs in the facility.
- Provide funding to the facility consistent with the appropriation.
- Participate with SC, NE and the Site Office in annual meetings to discuss current plans and activities, specific problems hindering mission completion, budget issues, etc.
- Provide customer satisfaction assessments of contractor activities through SC-1 on an annual basis for input into the annual ORNL appraisal.
- Participate in monthly program coordination conference calls with the Site Office and contractor.
- Coordinate requests for information and direction to the contractor (except specific science-related information) through the Site Office.

3. The Associate Director, Office of Facilities, NE-40

- Stop work or shutdown operating nuclear facilities when the situation warrants.
- Participate in the review of facility safety documents associated with operation of REDC (Safety Analysis Report (SAR), Technical Safety Requirements (TSR), and changes to the facility involving a change to the TSR or an Unreviewed Safety Question.)
- Provide final approval of occurrence reports as prescribed in DOE Order 232.1, *Occurrence Reporting and Processing of Operations Information*.
- Approve facility restarts as required by DOE Order 425.1, *Startup and Restart of Nuclear Facilities*.
- Participate with SC and the Site Office in annual meetings to discuss current plans and activities, specific problems hindering mission completion, budget issues, etc.
- Provide customer satisfaction assessments of contractor activities on an annual basis for input into the annual ORNL appraisal.
- Participate in monthly program coordination conference calls with the Site Office and contractor.
- Coordinate requests for information and direction to the contractor through the Site Office.
- Concur in selection of key Federal management personnel associated with facility operations and participate in their appraisal.
- Approve all press releases pertaining to any occurrences regarding REDC.

4. The ORNL Site Manager

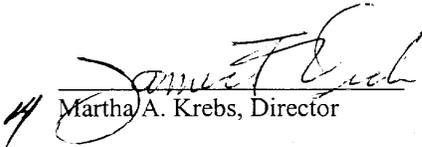
- As Contracting Officers Representative (COR), provide contractual direction to ORNL consistent with SC, DP, and NE directions and DOE policy.
- Assure that ORNL performance and facility operations and management are consistent with the direction provided by SC, DP, and NE.
- Interface with the contractor on all SC, DP, and NE issues.
- Assess the safety of operation of the facility by means of periodic surveillance and assessments and make recommendations to correct identified deficiencies.
- Exercise stop work authority.

- Authorize facility restart in accordance with DOE Order 425.1, *Startup and Restart of Nuclear Facilities*.
- Conduct facility walkthrough by senior Site Office management at least biweekly.
- Review all proposed changes to facility authorization basis documents (SAR, TSR, etc.) and make recommendations to NE for approval.
- Press releases concerning REDC shall be coordinated with DOE HQ including SC, DP, NE, and PA, prior to public release. During the coordination it will be determined which entity (HQ, ORO, or ORNL) shall issue the release.
- Participate with SC, DP, and NE in annual meetings to discuss current plans and activities, specific problems hindering mission completion, budget issues, etc.
- Provide ORNL weekly highlight reports to SC, DP, and NE.
- Participate in monthly program coordination conference calls SC, DP, NE, and contractor.
- Ensure environmental monitoring and compliance to all rules and regulations.
- For any activities that could result in a modification to or a change in the operating envelop of REDC, initiate an early (within two to three months) review, with the agreement of SC, DP, and NE, to ensure elimination of potential waste of resources in developing detailed costs and safety assessments for projects.

F. RELATION TO DOE DIRECTIVES

Any conflict between this management agreement and DOE rules, orders, notices, and other Departmental directives shall be resolved in favor of the latter. Should such conflict arise, the parties agree that this management agreement will be modified to bring it into conformance with such directives.

APPROVED:


 # Martha A. Krebs, Director
 Office of Science
 Date: Jan 7, 2000

APPROVED:


 William D. Magwood, IV, Director
 Office of Nuclear Energy,
 Science and Technology
 Date: _____


 G. Leah Dever, Manager

Oak Ridge Operations Office
 Date: 6-15-00


 Thomas F. Gioconda
 Brigadier General USAF
 Acting Assistant Secretary
 for Defense Programs
 Date: 28 Dec 99