

CHAPTER 15.5
WORK STOPPAGES

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I. INTRODUCTION

I.A. Purpose and Scope

The chapter provides procedures for identifying, collecting, and reporting of costs resulting from work stoppages. Tracking the cost of each work stoppage supports Department of Energy (DOE or Department) requirements for reporting and assessing budgetary impacts. At the discretion of the Contracting Officer, data gathered from monitoring work stoppage costs may support contractor performance evaluations and allowable cost determinations.

I.B. Applicability

This chapter applies to all DOE site/facility management contractors unless superseded by more specific contractual requirements. A work stoppage can involve an entire site, a remote facility, or a sub-organization that meets the thresholds specified in Section II.A. of this chapter.

II. REQUIREMENTS

II.A. Basic Requirement

Contractors are required to account for and report the total costs associated with each work stoppage that exceeds both of the following: (1) two full consecutive operational days in duration; and (2) costs incurred estimated to exceed \$500,000.

Contractors are responsible for establishing procedures to ensure work stoppage costs are tracked even when it is not known at the inception of the work stoppage that the cost will exceed \$500,000 and the duration will exceed two consecutive operational days.

II.B. Work Stoppages that Require Cost Tracking

II.B.1. Disasters

Work delays or disruptions that result from disasters, declared by the President or State and local officials including, but not limited to, weather related disasters such as hurricanes, public health pandemics or wildfires.

II.B.2. Security and Accident Investigations

Disruptions caused by security and accident investigations conducted in accordance with DOE Order 225.1B, *Accident Investigations*.

II.B.3. Violations of DOE Nuclear Safety Requirements

Stoppages that result from violations of DOE nuclear safety requirements in keeping with Public Law 100-408, *Price-Anderson Amendments Act of 1988*.

II.B.4. Shutdown and Curtailment of Work for Emergency

A shutdown or curtailmentⁱ of work at a DOE facility directed by a senior Departmental management official or Contracting

Officer involving a safety or emergency incident in keeping with DOE Order 232.2, *Occurrence Reporting and Processing of Operations Information*.

II.B.5. Shutdown Over Radiation and Environmental Health and Safety Concerns

A work stoppage or shutdown as provided in the following Department of Energy Acquisition Regulation (DEAR) Clauses:

II.B.5.i. DEAR 952.223.72, *Radiation Protection and Nuclear Criticality*; and

II.B.5.ii. DEAR 970.5223-1, *Integration of Environmental Safety and Health into Work Planning and Execution*.

II.B.6. Inclement Weather

Temporary site closures due to inclement weather.

II.C. Exclusions

Routine maintenance, safety pauses, timeouts, or training sessions to maintain worker safety awareness are not work stoppages that require separate tracking of cost information as contemplated in this chapter. Contractors should consult with their Contracting Officer if it is not clear whether an event constitutes a work stoppage requiring tracking of costs.

II.D. Composition of Full Cost

Full cost comprises all costs associated with the following activities:

II.D.1. Maintaining a facility or activity in a stand down mode.

II.D.2. Shutting down facilities or activities.

II.D.3. Restarting facilities or activities.

II.D.4. Transitioning facilities and personnel to other approved and funded work.

II.D.5. Cleanup, investigative, and remediation activities that are specifically associated with a work stoppage.

II.D.6. Any non-productive labor resulting from idleness or no activity taking place as a result of the work stoppage including weather and safety leave or idle time, if applicable; and

II.D.7. Costs of adjusting processes and procedures to reflect local conditions (such as purchase of personal protection equipment, and reconfiguring operations to accommodate social distancing).

Costs associated with labor or other resources that are productively reassignedⁱⁱ to other activities do not constitute work stoppage costs.

II.E. Tracking Costs

Contractors will maintain the capability to separately record the costs associated with each work stoppage and should begin tracking costs as soon as feasible after a work stoppage commences.

II.E.1. Contractors must ensure that costs for each work stoppage are appropriately burdened in accordance with their disclosed cost accounting practices.

II.E.2. Prime contractors must ensure that subcontract costs incurred as a result of each work stoppage are properly tracked.

II.F. Reporting Costs

Contractors are required to report the total costs incurred for each individual work stoppage meeting the criteria specified in sections II.A.

Reports should be provided to the Contracting Officer and the Designated Financial Officer on a quarterly basis, or more frequently if directed by the Contracting Officer.

As appropriate, reporting on work stoppages can be combined with other reports regularly provided by the contractor or transmitted separately to the Contracting Officer. Contractors must provide any additional information on individual work stoppages at the request of the Contracting Officer. If a contractor does not incur costs with work stoppages in a particular period, no report is required.

III. REFERENCES

- III.A. Public Law 100-408, *Price-Anderson Amendments Act of 1988*, extends and improves the procedures for liability and indemnification for nuclear incidents.
- III.B. DEAR 952.223.72, *Radiation Protection and Nuclear Criticality*, applicable for work performed at a facility where DOE needs to enforce radiological safety and health standards rather than relying on Nuclear Regulatory Commission licensing requirements.
- III.C. DEAR 970.5223-1, *Integration of Environment, Safety and Health into Work Planning and Execution*, requires the contractor to perform work safely, in a manner that ensures adequate protection for employees, the public, and the environment.
- III.D. DOE Order 225.1B, *Accident Investigations*, prescribes organization responsibilities, authorities, and requirements for conducting investigations of certain accidents occurring at DOE sites, facilities, areas, operations, and activities.
- III.E. DOE Order 232.2, *Occurrence Reporting and Processing of Operations Information*, notifies DOE personnel of events that could adversely affect the health and safety of the public or the workers, the environment, DOE missions, or the credibility of the Department.

ⁱ A curtailment is a shortening or reduction in the scope or work that may result in a complete shutdown.

ⁱⁱ If the workers can be transferred to telework or moved to other projects that are not impacted by the stoppage, those costs are not collected.