

**ENVIRONMENTAL MANAGEMENT ADVISORY BOARD
to the
U.S. DEPARTMENT OF ENERGY**

PUBLIC MEETING MINUTES

**The Augusta Marriott Hotel and Suites
Two Tenth Street • Augusta, GA 30901**

September 30, 2009

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ENVIRONMENTAL MANAGEMENT ADVISORY BOARD
SUMMARY OF MEETING

The Environmental Management Advisory Board was convened at 9:00 a.m. on Wednesday, September 30, 2009, at the Augusta Marriott Hotel and Suites in Augusta, Georgia. Chairman James Ajello introduced the Board members for this meeting.

In accordance with the provisions of Public Law 92-463, the meeting was open to the public.

Board members present:

- Mr. James Ajello, Hawaiian Electric Industries, Inc.
- Mr. Paul Dabbar, J.P. Morgan, Inc.
- Mr. G. Brian Estes, Consultant
- Dr. Dennis Ferrigno, CAF & Associates, LLC
- Mr. Keith Klein, Consultant
- Mr. John A. Owsley, Tennessee Department of Environment and Conservation
- Dr. Lawrence Papay, PQR, LLC
- Mr. Willie Preacher, NCSL State and Tribal Government Working Group
- Ms. Lessie Price, Aiken City Council
- Ms. Jennifer Salisbury, Attorney-at-Law
- Mr. David Swindle, EG&G Division/URS Corporation
- Mr. Robert Thompson, Energy Communities Alliance

EMAB Designated Federal Officer:

- Ms. Terri Lamb

Others present for all or part of the meeting:

- Dr. Vince Adams, Director, Savannah River Site Recovery Act Program
- Mr. Nithin Akuthota, Energy Technology and Environmental Business Association
- Mr. Jeffrey Allison, Manager, Savannah River Operations Office
- Mr. Sam Bhattacharyya, Savannah River Nuclear Solutions
- Mr. Manuel Bettencourt, Savannah River Site Citizens Advisory Board
- Ms. Nancy Bobbitt, Senior Field Representative for US Senator Johnny Isakson
- Ms. de'Lisa Bratcher, DOE Savannah River Site
- Mr. Ernest Chaput, Economic Development Partnership
- Mr. J. D. Chion, Savannah River Nuclear Solutions
- Mr. Desi Crouther, Director, Office of Human Capital
- Ms. Kristen Ellis, DOE Office of Environmental Management
- Ms. Gerri Flemming, DOE Savannah River Site
- Mr. Mark Gilbertson, DAS for Engineering and Technology
- Ms. Karen Guevara, DOE Savannah River Site
- Mr. Larry Ling, Savannah River Nuclear Solutions
- Mr. Hank McGuire, BTGS
- Mr. Rick McLeod, Savannah River Site Community Reuse Organization
- Mr. Robert Milazzo, Tetra Tech

- Mr. Robert Murray, Acting Director, Office of Standards and Quality Assurance
- Ms. Melissa Nielson, Director, EM Office of Public and Intergovernmental Accountability
- Mr. Joe Ortaldo, Savannah River Site Citizens Advisory Board
- Ms. Jennifer Schaefer, PRC
- Ms. Elizabeth Schmitt, e-Management
- Mr. Douglas Slaughter, Private Citizen
- Mr. Jack Surash, DAS for Acquisition and Project Management
- Mr. Robert Toro, DOE Office of Environmental Management
- Dr. Inés Triay, Assistant Secretary for Environmental Management
- Mr. Cliff Webb, Savannah River Nuclear Solutions
- Dr. Susan Winsor, Aiken Technical College

ADDITIONAL MATERIALS

Available on the EMAB Website: <http://www.em.doe.gov/Pages/emab.aspx>

PRESENTATIONS

- The State of Savannah River Site Presentation by Jeffrey Allison, Manager, Savannah River Operations Office
- Update on the Office of Environmental Management Presentation by Inés Triay, Assistant Secretary for Environmental Management
- Recovery Act Program Progress and Status Update Presentation by Vince Adams, Director, Savannah River Site Recovery Act Program
- Energy Parks Initiative Presentation by Mark Gilbertson, Deputy Assistant Secretary for Program Planning and Budget
- Acquisition and Project Management Presentation by Jack Surash, Deputy Assistant Secretary for Acquisition and Project Management
- Update on EM Corporate Quality Assurance Program Activities Presentation by Robert Murray, Acting Director, Office of Standards and Quality Assurance
- Environmental Management Human Capital Update Presentation by Desi Crouther, Director, Office of Human Capital

LIST OF ACRONYMS

ARRA – American Recovery and Reinvestment Act	EM-40 – Deputy Assistant Secretary for Human Capital and Business Services
B&P – Bid and Proposal	EM-50 – Deputy Assistant Secretary for Acquisition and Project Management
BRAC – Defense Base Closure and Realignment	EM-60 – Deputy Assistant Secretary for Safety and Management Operations
CBC – Consolidated Business Center	EM-64 – Office of Standards and Quality Assurance
CD – Critical Decision	EMAB – Environmental Management Advisory Board
CFO – Chief Financial Officer	EM SSAB – Environmental Management Site-Specific Advisory Board
CO – Contracting Officer	EPA – Environmental Protection Agency
COO – Chief Operating Officer	ETR – External Technical Review
CERCLA – Comprehensive Environmental Response, Compensation, and Liability Act	ETTP – East Tennessee Technology Park
CPIF – Cost-Plus-Incentive-Fee	FACA – Federal Advisory Committee Act
D&D – Decontamination & Decommissioning	FHCS – Federal Human Capital Survey
DAS – Deputy Assistant Secretary	FPD – Federal Project Director
DFO – Designated Federal Officer	FTE – Full-Time Equivalent
DOE – Department of Energy	FY – Fiscal Year
DoD – Department of Defense	GC – General Counsel
DWPF – Defense Waste Processing Facility	GTCC LLW – Greater Than Class C Low-Level Waste
ECA – Energy Communities Alliance	HEU – Highly Enriched Uranium
EIS – Environmental Impact Statement	HCA – Head of Contract Activity
EM – Office of Environmental Management	HLW – High-Level Waste
EM-1 – Assistant Secretary for the Office of Environmental Management	HR – Human Resources
EM-2 – Principal Deputy Assistant Secretary for the Office of Environmental Management	HQ – Headquarters
EM-3 – Chief Operating Officer for the Office of Environmental Management	IDF – Integrated Disposal Facility
EM-5 – Office of Communications and External Affairs	IDIQ – Indefinite Delivery, Indefinite Quantity
EM-6 – Office of Management Analysis	IFDP – Integrated Facilities Disposition Project
EM-20 – Deputy Assistant Secretary for Engineering and Technology	ISMS – Integrated Safety Management System
EM-30 – Deputy Assistant Secretary for Program Planning and Budget	INL – Idaho National Laboratory
	IPABS – Integrated Planning, Accountability and Budget System

IPT – Integrated Project Team
 LEU – Low Enriched Uranium
 LLW – Low-Level Waste
 LM – Office of Legacy Management
 LTS – Long-Term Stewardship
 MA – Office of Management
 M&I – Management and Integration
 M&O – Management and Operating
 MAA – Material Access Area
 MDA – Material Disposal Area
 MLLW – Mixed Low-Level Waste
 NAPA – National Academy of Public Administration
 NAS – National Academy of Sciences
 NGA – National Governors Association
 NE – Office of Nuclear Energy
 NEPA – National Environmental Policy Act
 NNSA – National Nuclear Security Administration
 NOV – Notice of Violation
 NRC – Nuclear Regulatory Commission
 OECM – Office of Engineering and Construction Management
 OCEA – Office of Communications and External Affairs
 OMB – Office of Management and Budget
 OPM – Office of Personnel Management
 ORO – Oak Ridge Office
 ORP – Office of River Protection
 OSDBU – Office of Small and Disadvantaged Business Utilization
 OSHA – Occupational Safety & Health Administration
 PBM – Performance-Based Management
 PBS – Project Baseline Summary
 PDC – Professional Development Corps
 PMP – Performance Management Plan
 QA – Quality Assurance
 QPR – Quarterly Project Review
 RCRA – Resource Conservation and Recovery Act
 REA – Request for Equitable Adjustment
 RFP – Request for Proposal
 RH TRU – Remote-handled Transuranic Waste
 ROD – Record of Decision
 R2A2 – Roles, Responsibilities, Accountabilities, and Authorities
 SBA – Small Business Administration
 SC – Office of Science
 SEB – Source Evaluation Board
 SES – Senior Executive Service
 SPRU – Separations Process Research Unit
 SRS – Savannah River Site
 TA – Technical Area
 TSCA – Toxic Substance Control Act
 TPA – Tri-Party Agreement
 TRU – Transuranic Waste
 USEC – United States Enrichment Corporation
 VIT Plant – Vitrification Plant
 WBS – Work Breakdown Structure
 WIPP – Waste Isolation Pilot Plant
 WM – Waste Management
 WTP – Waste Treatment Plant

MEETING MINUTES

Opening Remarks

Mr. James Ajello, Chairman of the U.S. Department of Energy's (DOE) Environmental Management Advisory Board (EMAB or Board), called the meeting to order at 9:00 a.m. He welcomed members of the Board and the public to the proceedings and noted that due to extenuating circumstances, EMAB member A. James Barnes was unable to attend the meeting. Mr. Ajello also recognized Mr. Willie Preacher and Mr. Robert Thompson who had been appointed to the Board since the last meeting, and noted that Ms. Jennifer Salisbury had been recently reappointed as well.

Prior to the public meeting, EMAB had the opportunity to tour the Savannah River Site (SRS). Mr. Ajello remarked that the Board members were very impressed with the tremendous amount of activity at the site and the progress that had been accomplished in the two years since EMAB's last visit to SRS.

Mr. Ajello referred individuals interested in EM and EMAB to their respective websites: www.em.doe.gov and www.em.doe.gov/emab.

He then introduced Mr. Jeffrey Allison, the Manager of the Savannah River Operations Office.

Savannah River Site Presentation

Mr. Allison provided an overview of SRS, noting that its construction was modeled after the Hanford site and spans 310 square miles, making it one of the largest sites in the EM complex. The EM cleanup mission is top priority at SRS, accounting for 70% of the site's budget.

Considerable progress has been made throughout the site. Mr. Allison stated that SRS continues to stay on schedule and highlighted the importance of investing in new technologies as a key component in accomplishing the cleanup mission. There are currently over 800 contaminated facilities and hundreds of contaminated soil and groundwater sites at SRS. Excess nuclear materials are safely stored in 3013 packages while other components, like spent fuel are stored in basins. There are also approximately 37 million gallons of liquid waste in the radioactive waste tanks. A small portion of that waste is in the form of sludge, and is currently being processed at the Defense Waste Processing Facility (DWPF). The remaining 34 million gallons are undergoing interim treatment through modifications made in tank farms, and will eventually be transferred to the Salt Waste Processing Facility (SWPF) for further treatment.

SRS has a dedicated and skilled workforce of 13,000 federal and contractor employees. Nearly 3,000 of those positions have been either created or saved under the American Recovery and Reinvestment Act (ARRA). Major site contractors include Savannah River Nuclear Solutions (the SRS Management and Oversight contractor), Savannah River Remediation, Parsons, Wackenhut, Shaw AREVA, the U.S. Forest Service, and the University of Georgia.

EM's Fiscal Year (FY) 2010 budget request for SRS includes \$1.2 billion for Environmental Cleanup, \$132 million for Safeguards & Security, and \$60 million for Federal Program Direction. SRS has also received \$1.6 billion in ARRA funding, representing a rather significant investment on top of the site's annual appropriation of approximately \$1.4 billion.

Under the ARRA, SRS will accelerate cleanup operations, reduce the site's footprint by 45%, enable the reutilization of assets, reduce environmental risks, and achieve a large return on investment. In particular, Mr. Allison noted that the SRS Recovery Act Program will save an estimated \$1 billion dollars in life-

cycle costs at the site, signifying a prudent investment for the taxpayers. ARRA funds have also enabled SRS to stimulate the local economy by creating and/or saving nearly 3,000 jobs to date. Because of the Recovery Act, SRS recently shipped its 30,000th drum and 1,000th shipment of transuranic (TRU) waste to the Waste Isolation Pilot Plant (WIPP), and began deactivating the P and R reactors and decommissioning the site's A Area facilities.

Mr. Allison also reviewed a number of SRS's accomplishments. The site has successfully turned radioactive liquid waste into a solid and safe disposal form since 1996, disposed of salt waste, emptied and closed radioactive waste tanks, disposed of solid waste, protected groundwater through the development of state-of-the-art technologies, integrated cleanup of large contaminated areas, decommissioned over 240 facilities covering approximately 2.5 million square feet, and remediated 330 out of 515 waste units. SRS is also the storage site for the EM complex's non-pit plutonium and is working to identify processes that will enable the program to ultimately dispose of that special nuclear material.

He concluded his presentation by noting that SRS has demonstrated its ability to deliver cleanup over the past years. The site will continue to leverage its experience and workforce in order to be successful in its mission and ultimately reduce life-cycle costs.

Discussion

Mr. David Swindle asked if management had noticed any trends relative to historical safety performance at the site since the increase in workforce population.

Mr. Allison responded that a number of troubling safety events have occurred recently. These incidents are not associated with new hires, but rather the existing workforce. DOE is conducting a Type B accident investigation to examine both the root and contributing causes of these incidents. The contractors on site have also been asked to redouble their efforts. A team from Dupont will be visiting the site to study the safety issues from a workforce culture and operations standpoint in order to determine a viable solution.

Mr. John Owsley noted that SRS is associated with a CERCLA cleanup and has both federal and state environmental regulators that establish a cleanup schedule. He asked how these regulators were involved in the planning for the additional funding provided by ARRA.

Mr. Allison remarked that SRS has engaged regulators from the South Carolina Department of Health and Environmental Control and the Environmental Protection Agency since the beginning of the EM Recovery Act Program. The Federal Facility Agreement and site treatment plan have not been modified, but the ARRA funded work will enable SRS to accelerate out year milestones in the near term. Additionally, SRS is working to ensure through the use of grants that the site is able to provide the workforce needed to review these regulatory documents and issue the necessary permits.

Mr. Ajello referenced Mr. Allison's comment that the site will save \$1 billion in life-cycle costs as a result of accelerating work under the Recovery Act Program. EMAB members have previously expressed their belief that there might be a case for spending more money on the cleanup program in order to reduce the overall life-cycle cost of the EM program. Essentially the stimulus dollars provide that extra funding. He asked how SRS calculated the amount of life-cycle cost savings.

Mr. Allison responded that the savings were primarily calculated by looking at SRS's out year planning estimates, bringing those estimates forward into the near term, and then looking at what costs would be avoided.

Mr. Ajello thanked Mr. Allison for his presentation. He then introduced Mr. Manuel Bettencourt, Savannah River Site Citizens Advisory Board (SRS CAB) Chair.

Savannah River Site Citizens Advisory Board

Mr. Bettencourt offered greetings to EMAB on behalf of the SRS CAB and noted that he had recently returned from the EM Site-Specific Advisory Board (EM SSAB) Chairs' Meeting in Idaho Falls, Idaho. The Chairs' meeting was a success and resulted in the development of a recommendation for EM concerning options in future daily contracts. Following the Chairs' meeting, Mr. Bettencourt attended and chaired the September 29 SRS CAB public meeting in Charleston, South Carolina. During the meeting the members approved their 266th and 267th recommendations. The SRS CAB also received a program update from the Assistant Secretary, learned of an ethics investigation concerning ARRA funding direction at SRS, and selected potential members to recommend for appointment to the local board. Members also received updates on the site's stream and watershed monitoring and learned how high-level waste tanks are inspected annually and updated to ensure quality for current and future use. SRS nuclear materials processing plans for FY 2010 were also discussed.

Mr. Bettencourt commented that both EMAB and the SRS CAB advise EM, contributing to the success of the program. He also expressed great appreciation to the management at SRS for their positive interactions with the local board.

Mr. Ajello thanked Mr. Bettencourt and noted that Board members regularly attend the EM SSAB Chairs' meetings throughout the complex. He then introduced Dr. Inés Triay, the EM Assistant Secretary, for an update on the EM program.

EM Program Update

Dr. Triay began her presentation by sharing a memorandum that she issued on September 15 establishing EM's framework for the DOE Strategic Technology for Energy Plan. The Program Planning Team in charge of this initiative will be led by Ms. Merle Sykes, Deputy Assistant Secretary for Program Planning and Budget (EM-30), and will comprise EM field managers and the Deputy Assistant Secretaries at EM Headquarters (HQ). The framework outlines four strategic goals for EM:

- Improve *Safety Performance* with the goal of zero accidents/incidents;
- Improve *Project Management* with the objective of delivering results consistently on time and within cost so that EM is removed from the Government Accountability Office (GAO) High-Risk List;
- Achieve *Excellence in Management and Leadership* with the objective of making EM an employer of choice in the federal government;
- Align *Headquarters and Field Operations* in order to streamline decision making and improve efficiency; and
- Establish *Strategic Options* for the EM portfolio in order to reduce the overall cost of the program, complete cleanup activities faster in an environmentally safe manner, and return assets to the surrounding communities.

Dr. Triay asked the Board to provide her with advice and recommendations in support of these strategic goals.

With regard to improving safety performance, Dr. Triay stated that there is no milestone, no schedule consideration, and no cost consideration worth risking injury. Safety is an area where it is very easy to

become complacent. Dr. Triay asked EMAB for recommendations to help EM refresh and continue its commitment to safety every single day.

Dr. Triay also requested EMAB's guidance and recommendations on the topic of project management. EM has a solid performance record for cleanup projects, but must improve its ability to deliver all projects – and particularly construction projects – within cost and on schedule, thereby reducing the program's operations and maintenance costs. Efforts to achieve these goals constitute EM's journey to excellence.

Actions have already been identified to improve EM's project performance, such as completing more design before construction and moving away from the design/build approach; identifying safety requirements early and incorporating them into the design; improving quality assurance (QA) functions and capabilities, including those of EM vendors; implementing improved corporate project reviews; improving staff capabilities in key areas; and exploring an owner-representative approach for enhanced project management and federal oversight. Dr. Triay asked EMAB to provide feedback and recommendations on corrective actions, and specifically the practice of design/build and whether it should continue in the EM program. She explained that approximately 90% of the design for EM construction projects should be completed before the project is baselined and construction begins. Industry data indicates that baselining a construction project at the less rigorous standard of 10% design completion could potentially double the total project cost. In the past, EM baselined projects while still addressing technical approaches, which resulted in baselines founded on immature plans. Furthermore, construction projects were often started very early in the design phase of the project. In order to improve performance, EM needs to move away from these practices.

Dr. Triay reported that EM is currently restructuring its project management portfolio. The purpose of this exercise is to improve EM's ability to deliver project performance on time and within cost by categorizing projects according to whether they are capital asset projects or non-capital asset activities. Breaking work into more consistent categories will provide EM with an enhanced ability to tailor its project management approach and create more manageable discrete blocks of work.

Capital asset projects include construction projects and cleanup projects managed under DOE Order 413 that have clearly defined scope, cost, and schedules. Non-capital asset activities include EM operational activities and programs. These operations are better suited to more specific performance metrics, such as the number of shipments transferred to the WIPP or the amount of waste disposed of at the Nevada Test Site, rather than the traditional earned value management system metrics.

While restructuring the EM portfolio will help EM better manage its work, it is important that the program does not lose sight of the impacts to life-cycle costs. Dr. Triay emphasized that life-cycle costs need to be preserved in a very rigorous and disciplined manner; the consequences of completing projects and investing in different activities for life-cycle costs need to be clear if management is to assess the true environmental liability associated with the EM program. EMAB's guidance and recommendations regarding the structure of EM's project management portfolio would be greatly appreciated. Dr. Triay also suggested that the Board members engage in more in-depth discussions on this issue with Mr. Jack Surash, the Deputy Assistant Secretary for Acquisition and Project Management (EM-50), and Mr. Lowell Ely, Director for the Office of Project Management and Oversight.

EM is also working with the DOE Office of Engineering and Construction Management (OECM) to discuss the concept of right-sizing projects. Right-sized projects have clearly identified schedules, scopes, and costs. Additionally, these projects have identified risks and their baselines account for the costs associated with recovery should those risks be realized. The drawback of right-sizing projects is that EM may lose the opportunity to obtain the large return on investment produced by an incentivized contractor that is responsible for delivering the entire cleanup; some of EM's greatest successes – Rocky

Flats, Fernald, and Melton Valley – were projects that were executed under large incentivized contracts. EM intends to break its work into several projects scoped out within a contract in order to still achieve that return on investment while ensuring that the projects are more realistic and deliverable. EMAB's guidance and recommendations concerning the issue of right-sizing projects is welcomed. Dr. Triay noted that EM cannot continue to publish estimates for total project costs and then advocate for more money and more time because those estimates were insufficient. EM is a mature program; it owes the senior leadership at DOE, Office of Management and Budget (OMB), Congress, and taxpayers a more accurate concept of how much the program will cost and how long the EM mission will take to complete.

Dr. Triay also reviewed a number of best practices employed by the Office of Science (SC) that are being put to use in EM. For example, EM is working closely with SC's foremost expert in project management to institute construction project reviews for EM's project portfolio. EM is also reviewing SC's practice of exploring all research alternatives prior to declaring a project under DOE Order 413. Previously, EM developed work scope for projects without fully evaluating the technologies needed to complete the work. This is a practice that should be discontinued. SC's approach requires that programs invest in research to test different technology alternatives before baselining project cost, scope, and schedule, and beginning construction.

As part of its strategic planning, EM has also identified four strategic areas to guide the program's current focus. They include:

- Footprint reduction;
- Alternative approaches to tank waste disposition;
- Alternative approaches to spent nuclear fuel and excess nuclear materials disposition; and
- Reutilization of assets, such as the establishment of energy parks

Dr. Triay asked the Board to provide her with advice and recommendations pertinent to strategic options for the EM portfolio and these four focus areas. In particular, with regard to asset reutilization, Dr. Triay noted that the Energy Park Initiative (EPI) was discussed during the public comment period of the SRS CAB's recent meeting. The speaker commented that there needs to be a clear Departmental policy on energy parks and the reutilization of assets in order to move forward with the EPI. Dr. Triay agreed with this comment and noted that it would be helpful if the Department articulated a clear policy for the reutilization of assets. Any recommendations that EMAB can offer regarding the reutilization of assets would be appreciated.

The proposed reorganization of EM-HQ is in the final stages of approval and is scheduled to go into effect on October 11. Dr. Triay noted that her staff would be available to spend time with the Board and review the new organization and senior leadership assignments, if needed. The reorganization was initiated to accomplish two goals: to improve EM's project management and to better align EM-HQ and field operations.

In order to improve project management, the reorganization will establish separate Deputy Assistant Secretaries for Project Management and Acquisition and Contract Management. The Deputy Assistant Secretary for Project Management will be charged with restructuring the EM portfolio and those projects in the portfolio that are managed under the rigor of DOE Order 413. Addressing cost increases and schedule delays, specifically with regard to construction projects, requires a focused approach. Mr. Bob Raines from OECM and Mr. Dan Lehman from SC have been detailed to EM as advisors to provide guidance on the project management aspect of the reorganization. EMAB's candid recommendations and advice on this component of the reorganization are especially welcomed. The restructuring of EM's project management organizations and functions will also draw from the Army Corps of Engineers and SC's lessons learned. Dr. Triay requested that the Board review the lessons learned and provide feedback

as to whether or not they will have a measurable, positive effect on EM's ability to deliver construction projects.

The EM reorganization will help to better align HQ and field operations by streamlining decision-making processes. Dr. Triay explained that EM-HQ's role is to support the work of the field. In turn, the field needs to understand the cross-complex strategies implemented by EM-HQ in support of the greater EM mission. EMAB's recommendations and guidance as to how the proposed reorganization can assist in improving this alignment will be greatly appreciated. Members were encouraged to draw from their professional experience in negotiating different levels of decision-making authority and relationships between the field, where work is done, and corporate, where policy and strategy are developed. EMAB was also asked to provide general feedback on how the reorganization could be improved.

Dr. Triay elaborated on other features of the reorganization, including the establishment of a Chief Technical Officer and a Chief Business Officer. The role of the new Chief Technical Officer will be to focus on this issue of better aligning HQ and field operations and supporting the delivery of performance. The establishment of Chief Business Officer reflects the fact that EM is essentially an acquisition organization; the EM federal staff is in place to oversee the contractors who perform the cleanup work. Business systems are integral to the success of the EM program. Those systems need to be effective and efficient in order to fulfill the EM mission while reducing life-cycle costs and decreasing the overall period of performance.

The EM reorganization also includes plans to move the Head of Contracting Authority (HCA) to the EM Consolidated Business Center (CBC) and delegating contracting authority to the field to the greatest extent possible. The purpose of this decentralization is to strike a balance between delegating authority to the lowest possible organizational level while ensuring that that authority is commensurate with the tools available to deliver performance. Dr. Triay's philosophy is that authority should be delegated to the lowest level of the organization possible, but with that comes the responsibility for delivering performance on schedule and within cost in a safe, secure, and environmentally compliant manner. Moving toward this decentralization and initiating those conversations with the field will be a challenge. EMAB's advice and recommendations regarding this particular matter would be helpful.

EM-HQ is responsible for overseeing field operations and helping the field to meet the compliance requirements of external organizations such as those of OECM. However, there are certain areas of the EM program where Dr. Triay believes there are deficiencies in the federal staffing levels required to perform effective oversight. EM is working closely with OECM and the Army Corps of Engineers to assess whether new federal resources are enough or, if not, how to obtain additional resources. If new resources are needed, should they be in the form of new federal employees or specialized subcontractors? EMAB's feedback on this issue is welcomed.

Dr. Triay concluded her presentation by noting that EM's greater programmatic priorities remain the same. They include:

- Essential activities to maintain a safe and secure posture in the EM complex;
- Radioactive tank waste stabilization, treatment, and disposal;
- Spent nuclear fuel storage, receipt, and disposition;
- Special nuclear material consolidation, stabilization, and disposition;
- High-priority groundwater remediation;
- Transuranic and mixed/low-level waste disposition;
- Soil and groundwater remediation; and
- Excess facilities deactivation and decommissioning (D&D).

These priorities are based on risk, with activities that present the greatest risk at the top of the list. Ms. Sykes and Mr. Jay Rhoderick, the Director for the Office of Strategic Planning, are currently reviewing this prioritization framework in order to find opportunities to improve EM's effectiveness and efficiency. EMAB's recommendations and guidance on this issue are welcomed.

In addition to the base program work, EM is also responsible for \$6 billion in American Recovery and Reinvestment Act (ARRA) funding. The EM Recovery Act Program seeks to build on sound business practices and investments. Those projects slated for execution under the ARRA – soil and groundwater remediation, soil and waste disposition, and excess facility D&D – were projects determined to be shovel ready with fully defined costs, work scopes, schedules, proven performance, proven technology, safety standards, and existing regulatory frameworks and contract vehicles. The EM Recovery Act Program encompasses work at 17 sites in 12 states; the cost associated with management and oversight of the ARRA projects is approximately \$70 million.

Lastly, Dr. Triay noted that investment in science and technology is necessary in order to advance EM's mission and optimize the efficiency of its operations. To that end, EM has requested an increase in the Fiscal Year (FY) 2010 budget from the FY 2009 level of \$32 million to \$105 million. The funding will be invested in the development of technologies and advanced techniques for tank waste disposition and groundwater remediation, the two main thrusts of EM's technology development program. As the program continues to mature, it is also essential that EM leverage the investments and expertise of its international partners and explore collaborative opportunities for technology development.

Discussion

Dr. Dennis Ferrigno commented that EM's ARRA projects prove that increased funding and accelerated cleanup will result in life-cycle cost savings. But the question is how will EM maintain the momentum of the Recovery Act Program and how can it spur Congress to embrace this investment and keep the base operations running with increased budgets beyond FY 2011 to expedite cleanup and closure.

Dr. Triay explained that the burden is to demonstrate that return on investment with auditable records. Mr. Steve Trischman is the lead for assessing the return on investment achieved under the ARRA. To date, EM has achieved approximately \$10 billion in cost savings and avoidance through the execution of Recovery Act projects. Mr. Trischman's team is still finalizing that estimate and calculating the savings. Clearly and accurately documenting the return on investment achieved through the ARRA is the first step for any strategy to obtain increased funding. The second step is to clearly articulate the objective of accelerated cleanup: what will an increase in funding help EM accomplish? The decision-makers in Congress and the stakeholders need to understand what they are investing in and what they will receive for their tax dollars.

Dr. Ferrigno also addressed the issue of whether or not the design-build approach was appropriate for the EM program. He agreed with Dr. Triay's assessment that construction should not begin until there is a mature design for the project; however, there are some extenuating circumstances where this is not always the case. Based on his experience in the private sector, Dr. Ferrigno explained that sometimes business models require that construction be deployed early in order for the enterprise to reap a better return on investment. This generally applies to projects based on proven designs. To wait until 90% design completion before deploying capital construction takes time that enterprises cannot always afford. He suggested that EM review the impacts of deploying capital construction earlier, somewhere between the 60-90% design completion phases.

Dr. Triay thanked Dr. Ferrigno for his comments. She stated that if EM were to continue using the design-build approach for construction projects, the total project cost would need to be declared in a range

that accounts for all foreseeable risks. EM cannot continue to report major discrepancies between the projected and the actual costs of capital construction. Declaring that a project will cost \$6 million based on an immature design and then having it end up costing \$12 million is unacceptable.

Mr. Keith Klein expressed his support for EM's efforts to restructure the project management portfolio. He cautioned that implementing the categorization approach may pose a challenge, especially with regard to aligning those categories with contracts, incentives, work scope, workforce and management structures, and regulatory pressures. In particular, if the regulatory compliance component of the program is not aligned with the new structure, there will be difficulties. Regulatory agreements vary throughout the complex; some are more prescriptive and detailed than others, limiting EM's flexibility for realigning its projects and restructuring the portfolio. He encouraged Dr. Triay to approach this initiative holistically with these considerations in mind.

Dr. Triay thanked Mr. Klein for his comment and asked Mr. Surash to take note. EM will need help from the contractor community in order to envision that alignment and determine what the appropriate incentive structures should be. What is the appropriate mechanism for those deliberations and for that alignment? Who should EM use to assist with that alignment? Does EM have lessons learned that can be used in support of this effort? Dr. Triay noted that this is an excellent issue to explore and encouraged EMAB to provide feedback and recommendations as the Board sees fit.

Mr. Owsley asked Dr. Triay to elaborate on EM's plans to include regulators in the development of new strategies for project management.

Dr. Triay expressed her belief that regulators need to be involved from the very beginning in the development of EM's strategic plans. There needs to be complete transparency between EM and the regulators; the regulators should be fully informed of EM's deliberations and involved as they see fit in the development and review of strategic alternatives.

Mr. Swindle mentioned that OMB developed a memorandum on July 29 for all agencies regarding initiatives in government acquisition, specifically highlighting the Department of Defense, the Defense Base Realignment and Closure Commission, and the General Services Administration. These organizations have formed some interesting initiatives that align with the focus areas EM has identified. He encouraged Dr. Triay and EM to look into this effort and noted that the Board can bring value to this activity as well.

Mr. Ajello thanked Dr. Triay for her presentation. He then introduced Dr. Vince Adams, Director of the SRS Recovery Act Program, for an update on the ARRA.

American Recovery and Reinvestment Act Update

Dr. Adams explained that DOE Secretary Steven Chu's criteria for the ARRA project selection required that the work was shovel ready, had lasting value, provided the public with unprecedented transparency and made significant down payments on the Nation's energy and environmental future. Shovel ready projects are defined as having fully-defined cost, scope, and schedule, established regulatory framework, proven technology, proven performance and existing contract vehicles. EM's ARRA work is directed toward existing scope that can be readily accelerated, such as soil and groundwater remediation, radioactive solid waste disposition, and facility D&D. Most of these accelerated projects were drawn from the near term baseline, meaning that they had been through a critical decision process. To date, EM has accelerated 55 compliance milestones, allocated 99% of the \$6 billion in ARRA funding, and spent over \$426 million with the Recovery Act Program.

Pre-existing work was not halted while planning for the ARRA projects. When the Recovery Act Program began, EM asked contractors to provide a day-to-day plan in order to execute work while the scope was being definitized. Plans submitted included work that the contractors would complete over a 180-day period. Contracts were then modified based on the new definitized scope, cost and schedule. EM has modified 29 of the 35 existing contracts covering the ARRA work, and has three additional new contracts pending.

Each site is expected to meet EM's corporate small business goals and maximize small business prime and subcontracting opportunities. The EM Recovery Act program set the goal of allocating more than 4.8% of the ARRA funds, for small business prime contracts. As of September 10, all small business categories had received \$352 million.

Job creation is one of the main performance measures for the stimulus package. Job fairs are being held across the country and are attracting tens of thousands of people. A concerted effort is being made to make sure that these jobs are given to the right people with the proper skills as soon as possible. Because of the Recovery Act Program, close to 10,000 jobs have been saved or created.

Safety is the number one priority for all ARRA projects, it will not be compromised in order to complete the work on schedule. Additionally, DOE Order 413 is being fully implemented along with performance-based release of funding to manage the ARRA work responsibly. Tracking project performance on an annual as well as a daily basis will help to guarantee quality contract and funds management. EM-HQ representatives are also closely observing project performance and reporting directly to Ms. Cynthia Anderson, Director of the EM Recovery Act Program. Additional external oversight reviews by are conducted by the Office of the Inspector General and GAO.

Communication is one of the largest components of the ARRA program. Ms. Anderson's office distributes regular news flashes and newsletter to keep stakeholders informed and up to date on EM's progress. Her office also uses websites, conference calls, and public meetings to enhance transparency.

EM is making progress in achieving the President's goals of job creation and environmental cleanup through the ARRA. Dr. Adams referred individuals interested in the EM Recovery Act Program and DOE Recovery Act Clearinghouse to visit their respective websites: www.em.doe.gov/emrecovery and RecoveryClearinghouse.energy.gov.

Discussion

Ms. Lessie Price asked if the 10,000 jobs created at EM sites included contractors.

Dr. Adams responded that per the guidance of OMB, any jobs created by the ARRA funds are included in the overall figure. There has been discussion as to how far out the figure can reach, and currently the statistics are extended to include subcontractors. The procurement of goods leads to the question whether jobs created by manufacturing a piece of equipment should be counted as well, but this issue is still up for debate.

Mr. Ajello stated that typically economists comment on the spinoff effects of direct jobs versus indirect, counting two-three indirect jobs per direct FTE payroll addition. He asked Dr. Adams if these statistics sounded correct.

Dr. Adams commented that the final call on the issue of direct jobs versus indirect jobs has not been made officially. EM will issue specific guidance in the future. In the meantime, sites like SRS include the

direct jobs that are easily calculated, but it is likely that external parties will also conduct an economic analysis when the ARRA projects are complete.

Mr. Owsley asked about EM's post-FY 2011 plans for advocating the continued accelerated cleanup of legacy waste.

Dr. Adams stated that when talking about a return on investment, the most important thing is to demonstrate positive results. If EM wastes the ARRA money, it is unlikely that the program can go back to Congress and ask for additional funding. EM plans to do an analysis to show that for every dollar spent, the program will save a certain amount of dollars as a return investment. Furthermore, as the footprint is reduced, the types of jobs associated with the work will change, necessitating a transition in the workforce.

Mr. Klein asked if guidance had been released regarding how much of the ARRA money going to the prime contractors should be directed to subcontractor businesses.

Dr. Adams noted that he was not aware of any specific money targeted for that purpose, EM may need to consider that possibility.

Dr. Ferrigno asked what kind of strategy EM has in place for when the Recovery Act Program is complete. Essentially a workforce has been built up with fine tooling abilities. The benefits of the ARRA are evident through accelerating cleanup, eliminating legacy waste, and providing jobs in a damaged economic environment. Additionally, managers and leaders need to figure out collectively what to ask Congress and as a unified team be able to go to unions and workers to figure out what is going to happen two years from now.

Dr. Adams agreed that at the end of FY 2011 there will be issues dealing with the workforce and this is already being considered at the policy and strategic planning levels. The questions is how can EM take advantage of the current workforce to maintain and sustain competence.

Ms. Salisbury asked if there was a strategy in place to interface between the surge in human capital due to the ARRA with the need to rebuild the retiring workforce. It would be helpful to examine the strategy in place to deal with the workforce that has been created and how it might fit the needs of EM in the near future.

Dr. Adams responded that Mr. Desi Crouther would speak to this issue during his presentation later in the afternoon. There was consideration even within the reorganization as to how EM could take maximum benefit of their current human resources. As knowledgeable federal employees begin to retire, the program is positioned to lose 60 % of the workforce over the next five years.

Mr. Swindle stated that the ARRA program's emphasis on the importance of communication has been essential to achieving accelerated success. EM was recently recognized in the September 7th edition of *Engineering News Record*, which stressed how the program is ahead of the other federal agencies and specifically cited SRS and Hanford. Mr. Swindle also affirmed that the Board remains concerned with the impact on baseline programs where the ramp-up has happened very quickly. In 30 months when the ARRA funding goes away, there will still be an obligation to maintain a strategy for a committed program.

Mr. Ajello thanked Dr. Adams for his presentation, he then introduced Mr. Mark Gilbertson, Deputy Assistant Secretary for Engineering and Technology, for an update on the EPI.

Energy Park Initiative Update

Dr. Ferrigno and Mr. Klein stated for the record that they had a potential conflict of interest with matters related to energy parks, and therefore recused themselves from the EPI portion of the proceedings.

Before beginning his presentation on the EPI, Mr. Gilbertson first reviewed highlights from EM's technology development program. EM is pursuing transformational technologies that will enhance the program's ability to perform work, and plans to build synergy across the complex through technical exchange activities. More information on EM's engineering and technology initiatives is available online at <http://www.em.doe.gov/EM20Pages/EM20HomePage.aspx>.

Turning to the topic of the EPI, Mr. Gilbertson noted that the administration's political leadership, and particularly Secretary Chu, is really starting to push for advances in the nation's energy policy and energy independence arena.

Energy parks need to be tailored to available regional resources such as biomass, solar, geothermal, and wind. The EPI vision for one part of the complex will likely be very different from that of another across the country. The EPI needs to be conceptualized in a broader context than the individual site and/or program mission level. DOE, its partners, and stakeholders can utilize this initiative to develop regional energy independence solutions. The EPI should also leverage cross-Departmental resources. For example, under ARRA, SC received \$500 million to fund infrastructure construction and the Office of Energy Efficiency and Renewable Energy (EERE) received \$16.8 billion for various projects. Developers can tap into these sources to help fund EPI-like projects. Finding regional and cross-Departmental synergies will help create a sustainable future for the sites' workforce and local economies.

A key component of implementing the EPI is to enhance transparency; DOE needs to let private industry and stakeholders know what assets are available for reutilization. EM is working to create more transparency and make the opportunities more visible through communication and outreach workshops with local sites. A number of workshops have already taken place at Oak Ridge, Mound, and SRS. Mr. Gilbertson noted the EPI Peer Exchange hosted by the Energy Communities Alliance (ECA) as a particularly successful meeting. Like EMAB, ECA developed a number of recommendations for the Department regarding the EPI.

The EPI is an evolving concept that will require EM to engage in long-term relationships with other program office and communities. For example, EM is currently exploring opportunities to partner with EERE on innovative recovery act projects and energy activities at the program's sites. This dialogue is part of a process that involves determining what opportunities for collaboration exist, how much funding is available, and what kind of restrictions are involved. Additionally, DOE has improved its property transfer processes, a key component of the EPI.

Mr. Gilbertson encouraged the Board to keep a broad view of the EPI. In large part, the initiative is based on the concept of asset reutilization. To that end, EPI projects may not involve the creation of an energy park at all. Instead, they may focus on different energy activities like building and infrastructure upgrades.

DOE has already received an unsolicited EPI proposal for the Portsmouth site from the Southern Ohio Clean Energy Parks Alliance. The proposal was received in June 2009 and involves the construction of a \$6-8 billion nuclear power plant. Mr. Gilbertson asked EMAB to provide feedback and act as a sounding board as EM works to address the unsolicited proposal; he also asked EMAB to provide guidance as to where EM needs more clarity for EPI proposal processes. EM is currently working with the local

Portsmouth EM SSAB to walk the members through the unsolicited proposal process, communicate both EM and the community's vision, and discuss a path forward.

The EPI has the potential to leverage EM's unique resources and assets to address critical national energy and climate change concerns. This initiative will also demonstrate the effective partnering of DOE, the private sector, state and local governments, and local and regional communities to preserve and enhance the economies of the communities that host EM sites. Mr. Gilbertson concluded his presentation by noting that the political will to push the EPI forward exists, but the challenge is figuring out how to proceed. This initiative needs to be driven by the communities. EMAB's advice and guidance will be particularly useful and timely as the EPI continues to take shape.

Discussion

Mr. Paul Dabbar stated that setting a Departmental EPI policy, as previously noted in Dr. Triay's presentation, would be helpful. He also elaborated on earlier comments regarding the site reutilization lessons learned that exist throughout the broader federal government, and most notably the BRAC. Within the context of the BRAC, Mr. Dabbar explained that there were some very specific policies and processes. EM could adopt a similar approach by identifying specific processes for how EPI proposals should be submitted and who can submit them. Having a set process and criteria for eligibility will help DOE better evaluate proposals and benchmark them against other proposals. A second lesson learned from the BRAC and similar initiatives, is that it is helpful to characterize the assets that are available for reutilization and communicate that information to interested parties; at the very least, EM needs to characterize the assets and identify them for the Department's information.

Dr. Lawrence Papay concurred with Mr. Dabbar's comments, noting that the BRAC is an excellent model for the EPI. He suggested that perhaps one of the first steps for implementing the EPI is to develop a set of criteria for proposals and eligibility.

Mr. Gilbertson stated that EM is aware of the BRAC processes and will use those as another benchmark for the EPI. DOE also has its own separate processes for transferring properties. The challenge is to make those processes, such as land transfer, more transparent and more inclusive. It is also difficult to determine which tools are most appropriate for the EPI and for meeting the ambitious energy goals of the administration. This speaks directly to the issue of how to build consensus and move forward with EPI projects. Any advice that EMAB can provide on this issue would be helpful.

Mr. Swindle asked Mr. Gilbertson to comment on the progress DOE has made in terms of gaining buy-in for the EPI from other DOE program offices.

Mr. Gilbertson responded that DOE has established new political teams and staffing the upper levels of the agency. Undersecretary Kristina Johnson has also set up a process for strategic planning dialogue across the various program offices. She has a number of tools at her disposal to meet the administration's energy goals, energy parks being just one of those tools. Her challenge is to create synergy across the Department in order to move those initiatives forward. EM's challenge then is to educate the Undersecretary and other senior leaders as to what assets will be made available for reutilization through the pursuit of the EM mission. EM must also create a framework to ensure that the EPI is transparent and that local communities have a role in the dialogue.

Mr. Dabbar reiterated that in order to be more transparent, EM needs to identify its available assets and survey the resources that are available. There are likely constituents and potential business partners that cannot really grasp the EPI concept without understanding the context of the EM program. For example, those parties need to understand the things that EM first needs to accomplish, i.e. cleanup of a certain site,

in order to make assets available as well as the timeline. This whole idea ties directly back to EM's strategic planning and strategies for obtaining increased funding. EM could use the EPI as a justification for more post-FY 2011 base program funding – if EM were to receive X dollars, the program could accelerate cleanup, reduce the environmental liability, and make more resources available for reutilization. There are some synergies across both DOE and within EM that can be leveraged for this initiative.

Mr. Ajello thanked Mr. Gilbertson for his presentation and noted that the Board members will continue to be available to assist in the development of the EPI.

Public Comment Period

Mr. Ajello opened the floor to public comments.

Mr. Bettencourt, Chair of the SRS CAB, commented on human capital concerns pertaining to the ARRA and noted that the stimulus funding needs to be directed to the prime and sub contractors to ensure that regional employment and workforce needs are met.

Mr. Douglas Slaughter, a recent graduate of the Massachusetts Institute of Technology shared his thoughts on talent acquisition and human capital and offered four recommendations for DOE-EM.

With regard to marketing and exposure, it is very important for DOE to have better representation at forums like career fairs and professional conferences that cater to specific demographics like the Society of Women Engineers or the National Society of Black Engineers. Participating in these forums will provide DOE with an in road to people interested in finding a career and learning about the opportunities available to them. Additionally, many of the companies that participate in career fairs talk about specific projects and opportunities. DOE-EM should follow suit. It would be very helpful for students to understand what sorts of projects are happening at DOE that they can be involved in and how those projects will help them develop their professional interests. Lastly, sponsoring events like luncheons or mixers is a very useful tool for employers to talk to soon-to-be graduates in a private setting and really develop a rapport one-on-one.

The second recommendation pertained to how DOE could develop a closer relationship with students by using recent hires, interns, and alumni as recruiters. Using recent graduates could help bring a younger, more vibrant perspective to recruitment and pull other students into the fold.

Mr. Slaughter's last two recommendations addressed developing long-term relationships with professional organizations on campus and with university institutions and staff. These entities are excellent conduits into the dynamics of campus life. Building a rapport with the people on campus and the institutions themselves will help DOE establish a more enduring presence on campus.

Mr. Dabbar commended Mr. Slaughter for his comments, noting that he listed some of the best recruitment practices used by large companies. The reality is that government agencies can be competitive on college campuses. For example, the State Department has built a brand that has made it one of the top ten places that graduates want to work. There is no reason that DOE cannot compete like the State Department.

Mr. Ernie Chaput from the Economic Development Partnership of Aiken and Edgefield Counties in South Carolina provided comments on the EPI. For the past several years, his organization has advocated for an energy park at SRS that would complement the region's existing economic development activities. SRS's unique characteristics make it well positioned for EPI-related activities; the challenge then is for DOE to

determine how to capitalize on those characteristics. From an economic development perspective, the EPI can make a real difference for the local community by helping diversify its economic base and creating an opportunity for private sector jobs and investments. This will also allow the local community to become less reliant on federal activities at SRS. However, in order for this initiative to be successful, there needs to be a flexible mechanism in place that allows DOE to transfer the control of land to private sector industrial developers, giving them the tools they need to effectively attract investments.

Mr. Nithin Akuthota, the Executive Director for the Energy, Technology, and Environmental Business Association (ETEBA), framed his comments in the context of the day's agenda. With regard to the proposed EM reorganization, ETEBA would like to see more certainty and interaction with the contracting community as the reorganization unfolds, and welcomes the opportunity to engage with EM on this issue and provide written comments as appropriate.

ETEBA has specific concerns on the acquisition and planning front regarding the complexities of the Integrated Facilities Disposition Project at Oak Ridge and would like to see an acquisition plan move forward that provides a framework for integrating unfunded liabilities, the EM strategic vision, and acquisition planning in general. Additionally, with regard to acquisition and project management, ETEBA endorses the proposal to delegate HCA authority to the field.

The third area that ETEBA is interested in is the implementation and oversight of the Recovery Act Program. ETEBA's partners welcome the opportunity to accelerate cleanup across the complex, but the subcontracting community has expressed concerns that the jobs created for this goal have not flowed down. It appears that prime contractors are self-performing in some respects. ETEBA would like to see more subcontracting opportunities as EM moves into the second year of implementing the ARRA. There is also a concern about the lag time between when EM obligates the funding and when the funding is spent.

Finally, the EPI is a major priority for ETEBA. From the contractor community's perspective, the EPI represents a strategy for bridging the gap in workforce transition issues and diversifying EM's contractor skill and supply base. However, in order to move the EPI forward, there needs to be a high-level policy determination in the Undersecretary or Secretary's office. There are a handful of projects and proposals out there that are accessing a patchwork of funding, demonstrating the need for a more coordinated partnership and federal effort.

Dr. Susan Winsor, Chair of the SRS Community Reuse Organization's (SRS CRO) Workforce Task Force, shared a study on regional nuclear workforce needs. SRS CRO commissioned the study, which was performed by Booz Allen Hamilton and completed in June 2009. The study concluded that a projected 10,000 nuclear-related workers will be needed over the next ten years within an 80-mile radius of SRS to fulfill federal, contractor, and utility workforce needs. This shortfall represents an opportunity for educators and economic development entities to collaborate and create programs to prepare local citizens for meeting those workforce needs, ultimately improving their quality of life. SRS CRO is currently developing a strategic plan based on this study and is consulting with local employers. A number of initiatives have already been developed to meet the projected demand for nuclear-related workers. For example, Aiken Technical College has developed a certificate program for radiation protection technology and will launch a full Associates Degree program in the fall. There is also an accelerated program for students with a Baccalaureate or an Associates Degree in a science-related area that compresses studies into one year. Aiken Technical College is also collaborating with local working professionals to develop content for other nuclear-related educational and training programs that will be rolled out in the future. A more detailed summary report from the SRS CRO study will be released to the public in the near future.

Mr. Joe Ortaldo, Chair of the SRS CAB's Waste Management Committee, noted that one of the prime objectives of the SRS CAB is to ensure that the site's funding is spent effectively in order to reduce risk. The SRS CAB recently passed a recommendation asking EM to direct ARRA funding to tank closure activities at the site to accomplish this purpose. SRS responded by transferring approximately \$200 million to tank closure and should be commended for that. Mr. Ortaldo also offered two recommendations to EM. The first encouraged EM to be as flexible as possible with the ARRA funding and redirect it as appropriate. The second recommendation encouraged EM to continue holding public workshops on the EPI. Mr. Ortaldo concluded his statement with a comment on the issue of workforce transition and bridging the gap between when the Recovery Act Program concludes and other activities such as the SWPF, Mox Facility, or EPI-related projects begin. The 3,000 workers brought on board under the ARRA could be redeployed to those facilities.

Mr. Ajello thanked everybody for their insightful comments before adjourning the morning session.

EM Acquisition, Project Management, and Quality Assurance Update

Mr. Ajello introduced Mr. Surash and Mr. Robert Murray, Acting Director for the Office of Standards and Quality Assurance (EM-64), for a joint session on the topics of EM Acquisition, Project Management, and Quality Assurance.

EM Acquisition and Project Management Update

Mr. Surash provided EMAB with an update on EM's major procurements and then discussed restructuring the program's project management portfolio. He also noted that as of mid-September, EM had obligated approximately \$770 million in prime small business work, accounting for 42% of DOE's overall prime small business execution.

Beginning with the update on EM's major procurements, Mr. Surash reviewed the proposal dates, awards, estimated values, work scope, and major milestones of a number of contracts, including the TRU Waste Processing Center in Oak Ridge, Savannah River Security Operations, Idaho Advanced Mixed Waste Treatment Project, Office of River Protection 222-S Laboratory Analytical Services, Paducah Gaseous Diffusion Plant D&D, Portsmouth Facility Support Services, Paducah Remediation, Paducah Infrastructure Services, Depleted Uranium Hexafluoride (DUF-6) Operations at Portsmouth and Paducah, and multiple award IDIQ contracts for nationwide environmental services. Additional procurement information is available online at <http://www.em.doe.gov/pages/Acquisitions.aspx>.

EM's decision to projectize its work over the past several years has proven effective in helping the program better manage the scope and cost of its projects. It has also revealed that the very rigid structure of DOE Order 413, which is meant for capital assets, may not be the best standard to apply to all of EM's work, which ranges from capital asset construction projects to day-to-day operations. Additionally, many of EM's projects were too large in scope and too long in duration. Going forward, EM plans to break work into smaller, more defined projects that are shorter in duration. This will eventually parallel with EM's contracting strategy as well, which Mr. Surash offered to brief EMAB on during the next public meeting.

In order to restructure the project management portfolio, EM will categorize projects based on whether or not they involve capital assets, which, according to DOE, are defined as real property, related personal property, personal property, or equipment that have a service life of 2 years or more and a cost of \$25,000 or more. Projects in the EM portfolio can be divided into two broad categories: capital asset projects, which include construction and cleanup projects, and non-capital asset activities, which include operational and program activities. EM plans to roll-out this approach incrementally, beginning first with

the Recovery Act projects. Planning and transition for the base program projects will begin in early FY 2010. Ultimately, the project categorization approach will allow EM to better manage its portfolio.

EM Quality Assurance Update

Mr. Murray explained that EM's QA oversight program is relatively young and has continued to mature into a fairly significant effort across the complex over the past three years. His presentation focused on an overview of EM's corporate QA objective, strategy, and initiatives; an update of ongoing QA Corporate Board activities and commitments; and lessons learned and priorities for EM-64's FY 2010 path forward.

The overall objective of the oversight program is to institutionalize QA and establish an organizational culture that embraces quality in the day-to-day execution of the EM program. Proper QA allows EM to perform work correctly the first time, thereby helping the program stay on cost and on schedule. QA must be effectively integrated into the project lifecycle of procurement, design, engineering, construction, operation, and post-operational D&D and environmental restoration.

EM-64 has outlined a strategy for institutionalizing QA that leverages lessons learned from industry, other elements of DOE, and EM's own successes and setbacks. Other key components of the strategy include streamlining clear QA expectations and requirements; maintaining stability and predictability in corporate decision making; ensuring ready access to and availability of QA resources; upholding stringent performance accountability and transparency; pursuing timely operational awareness, meaningful QA performance metrics, and effective closure of corrective action commitments; utilizing robust performance-based audits and reviews; and developing and disseminating root cause analyses and lessons learned.

There are also a number of ongoing approaches for implementing an effective QA strategy. For example, EM is working to enhance its access to qualified QA expertise through industry partnerships and events such as EFCOG, the QA Corporate Board, and nuclear supplier events. EM has also increased its outreach and awareness efforts by developing informative print resources, orientations, and a QA Training Academy for federal and contractor personnel as well as the greater nuclear supplier community. Additionally, policies and procedures to clearly define QA corporate requirements are under development and include initiatives such as the QA Policy and Corporate Quality Assurance Program (QAP), which was approved in December 2008. Other approaches include the development of an integrated decision-making framework and improved operational awareness.

EM has made a fair amount of progress to date in implementing corporate QA. The senior leadership message of corporate priority and focus on QA is well understood and recognized by both federal and contractor managers. Every site has submitted or is in the process of submitting a proposed QAP and a QA Implementation Plan (QIP) for HQ review and approval by the end of FY 2009. Furthermore, the consistency, substance, and maturity of institutional QA procedures have continued to evolve, and EM-64's QA staff has increased, allowing the organization to maintain an active schedule of QA assist visits and audits. Other notable accomplishments include the launch of the Centralized QA Training Academy; the completion of more than 20 targeted, performance-based QA reviews and audits; the development and pilot of a web-based QA audit operational awareness and corrective actions tracking system known as the QA Hub; and a completed EM-wide survey of available QA resources.

Mr. Murray also provided an update on the status of the graded approach and how it is being integrated into EM's procurement processes. The topic of graded approach was combined with the topic of flow-down requirements as one of the focus areas identified for the QA Corporate Board in FY 2009. In response to this charge, the QA Corporate Board developed a position paper on methods to apply graded

approach to procurement activities and also committed to two other deliverables – the development of a QA process flow diagram and a graded approach procedure for procurements. The QA Corporate Board has identified five focus areas for FY 2010 drawn from a mix of new topics and a commitment to further explore some of the same issues from FY 2009. The five focus areas are Conduct of Operations, Design Quality Assurance, Commercial Grade Dedication Implementation, Adequate Nuclear Suppliers, and Flow-Down of Requirements.

In addition to the guidance and insight provided by the QA Corporate Board, EM-64 has also identified a number of lessons learned that will be brought to bear on QA functions going forward. In particular, EM-64 will ensure that QA requirements are documented throughout the procurement process and flow down through prime contractors to all levels, including both subcontractors and vendors. EM will also work to implement procedures before work is performed. Lastly, it is important that EM continue to emphasize root cause analyses to ensure that proposed corrective actions are carried out and address the underlying QA performance drivers.

Mr. Murray concluded his presentation with a review of EM-64's priorities for FY 2010, which are to:

- Interface with site designated QA points of contact on effective implementation of approved site-specific QIPs;
- Support, participate, observe, and/or provide QA technical expertise, and ensure close coupling with multi-disciplinary EM corporate reviews (e.g., construction project reviews);
- Provide independent technical input to HQ and the field regarding technical soundness and integration of QA in major project planning assumptions, project activities, and planned milestones in support of critical decision review and approval;
- Continue with an aggressive QA outreach and awareness effort including training, workshops, mentoring, and tools;
- Reinforce accountability and transparency by continuing to highlight corrective action commitments and status;
- Maintain a robust and targeted QA audit/review program; and
- Capture, incorporate, and disseminate resulting lessons learned.

Adhering to these priorities will help EM-64 ensure that the QA program is effectively implemented. The oversight program will also target more vendor reviews to ensure that quality is built into the program from the beginning, that corrective actions are adequate, and that lessons learned are flowing back down through the system.

Discussion

Mr. Swindle asked Mr. Surash to comment on the metrics EM will use to demonstrate that categorization will result in projects that are easier to manage and will yield quicker production.

Mr. Surash explained that EM is working to address a range of acquisition issues that will yield the results that Mr. Swindle noted. In particular, EM is partnering with the DOE Office of Management, General Counsel, and OECM to improve the Departmental processes and expedite acquisitions, one of the greatest challenges being the cost and time associated with proposals for large projects.

Mr. Klein asked if EM was continuing to move forward with the Integrated Facilities Disposition Project at Oak Ridge.

Mr. Surash responded that EM does not go public with its acquisitions until approved acquisition plan is in place. However, there is follow-on work at Oak Ridge in the planning stages.

Mr. Ajello commended EM for its significant role in providing prime contract opportunities to small businesses and asked Mr. Surash to comment on the impact that the ARRA had in helping EM reach its small business goals.

Mr. Surash responded that the base EM program continues to surpass its small business goal. The ARRA projects only began in the spring of 2009. Overall, EM will achieve some fantastic small business results for FY 2009.

Dr. Papay directed his comments to Mr. Murray and expressed his belief that QA needs to be a part of the institution's culture, much like safety. The motto behind the QA program should be, "get it right the first time," because even though many people may think that QA is a nuisance or a bother, successful implementation will save the program money and time in the long run. He also asked Mr. Murray, with regard to the acceleration of work under the stimulus funding, if he had observed any diminution in the quality of work or QA standards upheld by the EM field organizations and/or prime and sub contractors.

Mr. Murray noted that the Recovery Act Program is still young and that there was not enough data available to fully address Dr. Papay's question. However, a lot of the QA issues that EM is dealing with are issues that have not happened overnight, many – such as the problem of commercial grade dedication – are ingrained in contracts that were written five-six years ago. There is a delta that needs to be taken into consideration, so it may be a little premature to evaluate whether or not EM has been successful. However, EM-64 is working with Mr. Surash and his staff to use lessons learned and integrate standard QA language into new contracts to improve QA performance going forward.

Mr. Swindle commented that QA should become second nature for EM. He also added that there appears to be a bit of overlap in QA oversight between EM, the prime contractors, subcontractors, and suppliers, and asked Mr. Murray to comment on how self-assessments factor into this network.

Mr. Murray responded that it would be unrealistic for EM to rely on contractor self-assessments at this time.

Mr. Klein noted that there appears to be more line ownership of safety and that this ownership is starting to promulgate to QA. He encouraged Mr. Murray to ensure that the QA guidance, documents, requirements, etc. flow down through the field and push toward clear line ownership for implementation.

Mr. Ajello thanked Mr. Surash and Mr. Murray for their comprehensive presentations. He then introduced Mr. Desi Crouther, Director of the Office of Human Capital (EM-41).

EM Human Capital Initiatives

Mr. Crouther began his presentation by reporting that the first EM Professional Development Corps (EMPDC) class graduated in August 2009 and consisted of 19 individuals. A second class of 19 individuals will graduate in August 2010. The majority of the EMPDC interns are engineers, physical scientists, contract management specialists, and environmental protection specialists. The disciplines and skills that these individuals bring into the organization overlap well with EM's mission critical occupations and skill needs, which include general and nuclear engineers, physical scientists, acquisition specialists, and leaders.

In order to improve the EMPDC and capitalize on lessons learned, EM-41 solicited input from recent graduates, current participants, and senior leaders involved with the program on topics such as recruitment, application processes, interview and orientation processes, and course work. The results concluded that 70% of survey participants were either very satisfied or satisfied with the EMPDC overall, 81% was very satisfied or satisfied with the training and development opportunities, and 60% were satisfied with the orientation program. Additionally, over 81% of the senior leaders surveyed were very satisfied or satisfied with the EMPDC interns.

EM-41 recently started a fall recruitment campaign for the EMPDC and is scheduled to participate in 17 events throughout the months of September and October, including conferences for the Society of Women Engineers Conference and the American Indian Science and Engineering Society. The other 15 events will be held at colleges and universities across the country. Both current members and graduates of the EMPDC will be present at nine of these events to help facilitate outreach and interaction with students. EM-41 is also reviewing the composition of its recruitment team in order to improve its ability to relate to and attract prospective employees.

EM-41 participated in 50 different recruitment events in FY 2008. However, moving forward, Mr. Crouther explained that his office aims to be more strategic and selective in the recruitment opportunities it attends, which may lead to a decrease in the number of events per year. In particular, EM-41 intends to focus its recruitment efforts on those opportunities that will most likely benefit EM's mission critical and diversity needs. Mr. Crouther has also taken the lead on trying to establish long-term relationships between EM and key universities and institutions, ensuring that department heads and professors are familiar with the program's mission.

The remainder of Mr. Crouther's presentation focused on the topics of talent acquisition metrics and succession planning.

EM-41 is in the early stages of developing talent acquisition metrics to measure the return on investment produced by the program's recruitment efforts. Metrics may assess such measures as recruitment efficiency and effectiveness, the quality of hires, overall recruiting satisfaction, and new hire retention rates. EM-41 would also like to develop metrics to track the number of referrals received from college recruitment visits and mission critical referrals. EMAB's feedback on how this process and these metrics can be improved would be greatly appreciated.

With regard to succession planning, Mr. Crouther explained that EM needs to ensure that the organization's key positions continue to be filled. Succession planning serves as the interface between EM's human resource function and overall strategic direction. It is a vital tool for anticipating EM's future human capital needs. Succession planning also pertains to EM's ability to attract and retain talent, maintain a motivated and satisfied workforce, and focus employees.

EM-41 is currently reviewing succession planning best practices and recognizes the need to ensure that the planning process is logical and simple, utilizing technical applications when appropriate. EM offices should align their succession planning efforts with the program's overall human capital and business strategies. Ideally EM would benefit from a complex-wide three-year approach to succession planning. Senior leaders need to champion the importance of effective succession planning, ensure that strategies are linked to the big picture, identify knowledge, skills and abilities for key positions, and provide employees with opportunities for development.

Effective succession planning must also focus on every level of the organization. For example, EM's approach to leadership succession planning is divided into three tiers. Tier one consists of potential leaders at the level of GS 13 and below. These individuals are typically employees who more recently

entered the workforce. Tier two consists of emerging leaders that are senior employees at the GS 14-15 level. Tier three consists of individuals at the SES level. EM's approach is designed to enhance these individual's leadership skills.

As part of its succession planning effort, EM recently developed a worksheet to evaluate positions throughout the organization and evaluate them in terms of their required key competencies and proficiencies, vacancy potential, and criticality. This effort includes a determination of a strategy for addressing criticality, succession plan prioritization and identification of a responsible senior executive. In June 2009, the succession planning worksheet was presented to human resource directors from across the complex. A snapshot of the EM Headquarters' data revealed that 134 of the 351 positions evaluated, (or 38%) were "at risk of becoming vacant". This result is driven primarily by retirement eligibility data.

Mr. Crouther concluded his presentation by noting that as work priorities change, there will be flexibility in terms of how vacancies are filled. A succession plan does not designate that a manager needs to think in terms of hiring someone with the same set of skills every time. Often when a vacancy occurs, this is an opportunity to think in terms of what resources are necessary in order to complete the ongoing mission.

Discussion

Ms. Price asked Mr. Crouther to comment on the status of the development of human capital performance metrics.

Mr. Crouther responded that EM-41 will likely have draft metrics to share with the Board in early 2010. Ideally, a set of performance metrics will be in place before EM's next recruitment campaign.

Mr. Dabbar asked about which universities were targeted in EM's recruitment schedule and what types of events EM held on college campuses.

Mr. Crouther explained that EM-41 updates its recruitment schedule every year based on lessons learned. Recruiters generally visit institutions like the University of New Mexico, George Washington University, New Mexico State University, Tennessee State, Boise State, and University of Washington. Skills, population diversity, and travel budget all factor into selection of recruitment venues.

Mr. Dabbar commented that the consistency of visiting the same universities year after year has value and adds to recruitment momentum. Eventually EM can travel back to those universities with alumni that are now part of the EMPDC, increasing the program's ability to relate to students.

Mr. G. Brian Estes noted that other components of DOE are recruiting as well. He asked if there was any coordination between EM-41 and NNSA for example, since they are likely looking for the same type of people.

Mr. Crouther responded that there is definitely an opportunity to coordinate more.

Mr. Estes pointed out that if two components of DOE are present at the same event it could be confusing, because from a student's standpoint it is all the same organization. There are some opportunities to leverage the recruiting efforts of other Departmental programs.

Mr. Dabbar noted that this would not hurt the brand, but would show force as well as reduce the costs associated with multiple recruitment campaigns.

Dr. Ferrigno pointed out that if EM related budget dollars to the increased human capital workforce in regions affected by ARRA, the two would parallel. Investments are being made in training, security clearances, and allowing individuals access to controlled areas. ARRA presents challenges in the area of human capital because once these tasks are completed there will be issues to deal with regarding pension, severance, and liabilities. EM needs to determine who is leaving the organization, who could possibly be retiring, and how to raise this workforce to either meet budget demands or transition them into another area.

Ms. Price asked about the timeline associated with hiring new employees. It appears to take longer for employees to get on board at DOE than at other agencies. Prospective employees will seek out another agency and become disinterested if they are forced to wait too long.

Mr. Crouther responded that there is an ongoing effort across the government that the Office of Personnel Management is spearheading to improve the federal hiring process. DOE has a team working on this as well called the SWAT Team, which includes two members of EM-41.

The SWAT Team is looking at what DOE can do in order to streamline recruiting and hiring processes. In particular, the team is examining vacancy announcements because feedback indicates that they are too long and are not written in plain language. Another area of focus is an internal examination of DOE hiring policies and procedures. For example, DOE's hiring timeline differs from other agencies because it accounts for the classification of the position description and a number of other hurdles that can take up to an additional month. Therefore when other agencies say they can bring employees on board in 80 or 90 days, it is because they are not counting from the same starting point as DOE.

Ms. Salisbury suggested that the 134 people eligible for retirement could potentially train their replacements while they were still on board in order to prevent a gap in mission critical positions.

Mr. Crouther responded that there is not a formal apprentice program in place. The impression that a person is automatically going to come behind another person without competing for the position creates the perception of pre-selection.

Mr. Thompson asked if any studies had been conducted to address the retention rates within EM and DOE in comparison to other federal agencies.

Mr. Crouther noted that EM-41 examined five years worth of retirement data to get a sense of how it varied from site to site, and the one consistent factor was employee retention. Senior employees are not leaving at anticipated rates, which is good because it provides an opportunity to figure out how to create a pipeline of trained, skilled and able individuals to eventually fill these positions. In the best interest of succession planning, retention is something that can certainly be examined more closely.

Mr. Ajello stated that it is important not to lose site of the ethics and values of an organization when talking about recruiting and developing talent. He commented that EM-41 has a great opportunity with the EMPDC to inculcate the values of the organization, whether it is a culture of safety, quality, integrity, or helping communities.

Board Business and Subcommittee Reports

Approval of the April 29, 2009 Meeting Minutes

Mr. Ajello called for approval of the minutes from the Board's April 29, 2009, meeting in Washington D.C.

Mr. Estes and Ms. Salisbury motioned for approval, whereupon the minutes were unanimously approved.

Date for Next Meeting

The next EMAB meeting is tentatively scheduled to take place during in late March at the Portsmouth site.

September 2009 Reports and Recommendations

The following subcommittee reports and recommendations resulted from discussions and conference calls with EM senior management.

- EPI Subcommittee – P. Dabbar (lead), J. Ajello, L. Price, and R. Thompson

Mr. Ajello remarked that the EPI represents an opportunity for EM to show leadership within the Department; it could be one of the great legacies of the EM program.

To further aid the Assistant Secretary in her efforts to implement the Energy Park Initiative, the EPI Subcommittee offered the following recommendations:

Recommendation 2009-06: EM should encourage the Department to establish standard, complex-wide processes for soliciting, accepting, and evaluating EPI proposals and projects.

Recommendation 2009-07: As various EPI enterprises are proposed and reviewed, EM should encourage the Department to seek independent support for business model evaluation, technical and programmatic deployment risk analyses, and determining economies of scale as they relate to former site transition and/or impacts on local community economic redevelopment.

Recommendation 2009-08: EM should encourage the Secretary of Energy to issue a memorandum convening an interdepartmental taskforce and develop a policy for implementation of the EPI.

Recommendation 2009-09: As EPI programs develop, EM should consider the use of royalty payback to the taxpayers based on beneficial reuse and the transfer of assets from the public to the private sector.

Recommendation 2009-10: EM should identify the assets and/or resources that will be made available through the EPI and any restrictions or institutional controls associated with their use.

Mr. Ajello called for the approval of 2009-06 – 2009-10, whereupon the Board approved the recommendations. Dr. Ferrigno and Mr. Klein abstained from this vote based on their earlier recusal from matters pertaining to the EPI.

- ARRA Implementation and Oversight Subcommittee – J. Ajello (lead), P. Dabbar, J. Owsley, W. Preacher, and D. Swindle

Mr. Ajello noted that a number of reoccurring themes became apparent during the subcommittee's discussions with the EM senior managers. In particular, conversations kept returning to the concepts of reducing EM's overall life-cycle costs and capitalizing on the stimulus money; the need for transformational changes that can dramatically improve EM's efficiency and continue the Recovery Act Program's momentum; using the ARRA projects as case studies to demonstrate the benefit of increased funding; documenting performance measures to increase EM's credibility with stakeholders; and utilizing the ARRA as an opportunity to develop the EM workforce and skills matrices.

To further aid the Assistant Secretary in her efforts to implement the EM Recovery Act Program and improve EM's strategic planning efforts, the ARRA Implementation and Oversight Subcommittee offered the following recommendations:

Recommendation 2009-11: EM should establish a performance measure for compliance with regulatory agreements with a goal of 100% compliance.

Recommendation 2009-12: EM should establish a human capital plan inclusive of both federal and contractor resources that provides for compliance with regulatory agreements.

Recommendation 2009-13: The Office of Program Planning and Budget should conduct a review of projects completed under the Recovery Act Program, to benchmark progress against prior planning estimates.

Recommendation 2009-14: EM should develop and communicate a strategic plan for FY 2011 to address the implications of completing the Recovery Act Program for the continuing base program's operations and personnel.

Mr. Ajello called for the approval of 2009-11 – 2009-14, whereupon the full Board approved the recommendations.

- Acquisition and Project Management Subcommittee – G. B. Estes (co-lead), L. Papay (co-lead), and D. Swindle

Mr. Estes reviewed the subcommittee's charge and the issues that it explored over the course of FY 2009. Topics addressed include EM's management and delivery of construction projects, project management execution, restructuring the EM portfolio, timely contract modifications and changes, personnel needs, and acquisition and budget management issues, among others.

To further aid the Assistant Secretary in her efforts to improve EM's acquisition and project management practices, the Acquisition and Project Management Subcommittee offered the following recommendations:

Recommendation 2009-15: EM should clearly identify the actions that will be taken to compensate for any loss of synergy across contracting and project management functions in light of the program's proposed reorganization.

Recommendation 2009-16: EM should ensure that the proposed separation of contracting and project management functions is consistent with the National Academy of Public Administration's 2007 report and recommendations, or that the reasons for deviation from the report and recommendations are documented.

Recommendation 2009-17: EM should ensure that the charter for Quality Assurance clearly provides for direct access to the Assistant Secretary for QA reporting functions, without requiring that information first be routed through indirect reporting chains (i.e. Deputy Assistant Secretary or Chief Operations Officer organizations).

Dr. Papay explained that this recommendation pertains to EM's proposed reorganization and the need to ensure that the QA organization has a direct line to the Assistant Secretary. It is important that this access is institutionalized, because although current managers are committed to QA, people do change and move into other roles.

Recommendation 2009-18: EM should direct the QA Corporate Board to investigate the development of metrics and leading indicators for potential problems or shortfalls within the program's QA functions.

Dr. Papay stated that EM's QA organization, while still in the process of development, is mature enough to begin integrating metrics and leading indicators that will help identify issues before they become problems.

Mr. Ajello called for the approval of 2009-15 – 2009-18, whereupon the full Board approved the recommendations.

- Human Capital Subcommittee – L. Price (lead), J. Salisbury, A. J. Barnes, and G. B. Estes

Before discussing the proposed human capital recommendations, Ms. Price noted that the subcommittee had contacted Dr. Rodney Strand following EMAB's April 29 meeting to discuss the topic of exposing young students to the fields of science, math, and technology in order to strengthen the future work force. Dr. Strand had introduced this topic during the April 20 public comment period. Although the subcommittee chose not to put forth a recommendation regarding youth development and education, Ms. Price expressed her hope that this issue not be dismissed.

To further aid the Assistant Secretary in her efforts to improve employee morale and make EM an employer of choice, the Human Capital Subcommittee offered the following recommendations:

Recommendation 2009-19: EM should explore opportunities to coordinate employee recruitment efforts with other DOE program offices in order to leverage the Department's resources.

2009-19 was derived from Mr. Estes' earlier comments regarding Mr. Crouther's Human Capital presentation, and was entered into the record at the request of Mr. Ajello. Coordinating with other DOE program offices in order to leverage the Department's existing recruitment resources will pay dividends for EM. In addition to potentially reducing costs and labor hours, joint recruitment and outreach efforts will help DOE build a more corporate, marketable brand at job fairs and on college campuses.

Recommendation 2009-20: EM should improve and standardize employee service recognition programs throughout EM Headquarters and the complex.

Many EM HQ employees have reached the GS 14-15 level and have been capped off as far as advancement other than to managerial Senior Executive Service positions. EM-HQ continues to recognize these employees through awards programs, cash bonuses, annual leave, and opportunities for detail assignments within EM. However, awards and recognition practices are not consistent throughout the complex. For example, the pins signifying years of service awarded to employees at SRS appear to be much nicer than those awarded at EM-HQ. Discrepancies like that impact how employees feel their service is valued.

In order to improve and standardize employee service recognition programs, the Subcommittee suggested that EM survey other federal agencies for examples of service awards, contact the Office of Personnel Management to identify best practices or innovative approaches to employee recognition, and contact the National Academy of Public Administration to utilize the fellows' human capital expertise.

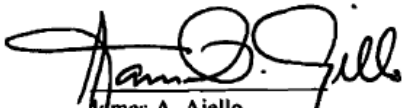
Mr. Ajello called for the approval of 2009-19 and 2009-20, whereupon the full Board approved the recommendations.

Closing Remarks and Adjournment

Mr. Ajello thanked Dr. Triay, the Board members, and the EMAB staff for their hard work and contributions to the meeting's success.


The meeting adjourned at 4:10 p.m. EDT.

I hereby certify that, to the best of my knowledge, the foregoing minutes are accurate and complete.



James A. Ajello
Chairman

Environmental Management Advisory Board



Terri Lamb

Terri Lamb
Designated Federal Officer
Environmental Management Advisory Board

These minutes will be formally considered by the Board at its next meeting, and any corrections or notations will be incorporated into the minutes of that meeting.

APPENDIX A
ENVIRONMENTAL MANAGEMENT ADVISORY BOARD
 Augusta Marriott Hotel and Suites • Estes Hall
 Two Tenth Street • Augusta, GA 30901

September 30, 2009	
9:00 a.m.	Welcome and Overview <ul style="list-style-type: none"> • James Ajello, <i>Chair</i>
9:15 a.m.	Savannah River Site Presentation <ul style="list-style-type: none"> • Jeffrey Allison, <i>Manager, Savannah River Operations Office</i>
9:25 a.m.	Savannah River Site Citizens Advisory Board <ul style="list-style-type: none"> • Manuel Bettencourt, <i>Chair, Savannah River Site Citizens Advisory Board</i>
9:30 a.m.	EM Program Update <ul style="list-style-type: none"> • Inés Triay, <i>Assistant Secretary for Environmental Management</i>
10:00 a.m.	Roundtable Discussion <ul style="list-style-type: none"> • Discussion Leader: James Ajello, <i>Chair</i>
10:15 a.m.	Break
10:30 a.m.	American Recovery and Reinvestment Act Update <ul style="list-style-type: none"> • Vincent Adams, <i>Director, Savannah River Recovery Act Program</i>
11:00 a.m.	Roundtable Discussion Discussion Leader: James Ajello, <i>Chair</i>
11:15 a.m.	Energy Park Initiative Update <ul style="list-style-type: none"> • Mark Gilbertson, <i>Deputy Assistant Secretary for Engineering and Technology</i>
11:45 a.m.	Roundtable Discussion Discussion Leader: Paul Dabbar, <i>Member</i>
12:00 p.m.	Public Comment Period



September 30, 2009 (continued)	
12:15 p.m.	Lunch
1:30 p.m.	Acquisition, Project Management and Quality Assurance Update <ul style="list-style-type: none"> • Jack Surash, <i>Deputy Assistant Secretary for Acquisition and Project Management</i> • Robert Murray, <i>Acting Director, Office of Standards and Quality Assurance</i>
2:15 p.m.	Roundtable Discussion <ul style="list-style-type: none"> • Discussion Leaders: G. Brian Estes and Lawrence Papay, <i>Members</i>
2:30 p.m.	Human Capital <ul style="list-style-type: none"> • Desi Crouther, <i>Director, Office of Human Capital</i>
3:00 p.m.	Roundtable Discussion <ul style="list-style-type: none"> • Discussion Leader: Lessie Price, <i>Member</i>
3:15 p.m.	Break
3:30 p.m.	Board Business and Subcommittee Reports <ul style="list-style-type: none"> • Approval of the April 29, 2009, Meeting Minutes • Subcommittee Reports and Recommendations <ul style="list-style-type: none"> ○ Energy Park Initiative Subcommittee ○ ARRA Implementation and Oversight Subcommittee ○ Acquisition and Project Management Subcommittee ○ Human Capital Subcommittee • Set Date for Next Meeting
5:00 p.m.	Adjournment



APPENDIX B

U.S. Department of Energy
Charter
Environmental Management Advisory Board

1. Committee's Official Designation:

Environmental Management Advisory Board (Board).

2. Committee's Objective, Scope of Activity, and Duties:

The Board will provide, in accordance with the Federal Advisory Committee Act, the Assistant Secretary for Environmental Management (EM) with information, advice, and recommendations concerning issues affecting the EM program. The Board will be informed of the progress on the EM program at regular intervals to be determined by the Assistant Secretary.

The Board will perform the following duties:

- a. Recommend options to resolve difficult issues faced in the EM program including, but not limited to: project management and oversight; cost/benefit analyses; program performance; contracts and acquisition strategies; human capital development; and site end-states activities; and
- b. Issue reports and recommendations as necessary.

3. Time Period Necessary for the Board to Carry Out Its Purpose:

Since the task of the Board is to advise agency officials on a series of EM strategies and provide advice on corporate issues, the time period required to carryout its purpose is continuing in nature.

4. Official to Whom this Board Reports:

The Board will report to the Assistant Secretary for EM.

5. Agency Responsible for Providing Necessary Support for the Board:

United States Department of Energy (DOE), Office of Environmental Management

6. Description of Duties for Which the Board is Responsible:

The duties of the Board are solely advisory and are stated in Paragraph 2, above.

7. Estimated Annual Operating Costs in Dollars and Person-Years:

DOE will provide resources sufficient to conduct its business as well as travel and subsistence (per diem) expenses for eligible members. The approximate annual cost is \$350,000 in direct federal and contractor costs, and approximately two full-time equivalents.

8. Estimated Number and Frequency of Board Meetings:

The Board will meet semi-annually or as deemed appropriate by the Assistant Secretary for EM. Specialized committees of the Board will meet as deemed appropriate by the Assistant Secretary.

9. Termination Date (if less than 2 years from the date of establishment or renewal):

Continuing.

10. Members:

Members of the Board shall be appointed by the Secretary of Energy for up to three years to achieve continuity in membership and to make use of the acquired knowledge and experience with EM projects. Members shall be experts in their respective fields or representatives of entities including, among others, research facilities and academic institutions, should the Board's tasks acquire such representation. Members may be reappointed for additional terms of up to three years.

11. Organization and Subcommittees:

The Board shall report to the Assistant Secretary for EM or other DOE officers designated by the Assistant Secretary.

The Board is authorized to constitute such specialized committees to carry out its responsibilities as the Assistant Secretary finds necessary. Committees will report through the Board.

Individuals with specialized skills who are not members of the Board may be consulted by the Board on specialized committees, as appropriate.

12. Chairperson:

The Assistant Secretary for EM appoints the Chair from the Board membership.

JAN 23, 2008

Date

/s/

Carol Matthews

Acting Advisory Committee Management Officer

JAN 23, 2008

Date Filed

APPENDIX C



COMMUNITY REUSE ORGANIZATION

two states, one future

FACT SHEET

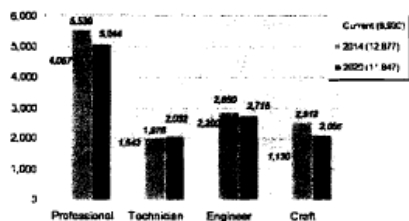
Booz Allen Hamilton Nuclear Workforce Report Summary

A Unified Regional Strategy

Over the last decade the U.S. commercial nuclear power industry began planning for a new building program after a very long period of inactivity. Although a global leader in nuclear power, with more operating nuclear reactors than any other nation, the U.S. industry has lost most of its new construction infrastructure and particularly the specialized workforce capable of designing, constructing and operating nuclear power plants.

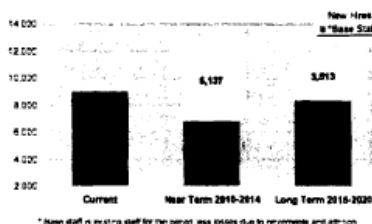
The impact of an expanding role for nuclear power plants has dramatic implications for the Central Savannah River Area (CSRA) and the two-state region of Georgia and South Carolina. The CSRA will need a unified, regional strategy that encompasses all relevant private, governmental and educational institutions along with appropriate economic development entities and elected officials working together toward the single-minded goal of ensuring that an adequately trained workforce is ready in sufficient numbers to meet the challenges posed by the demand for a new nuclear workforce.

Combined Staffing Levels Growth by Category



The Savannah River Site Community Reuse Organization (SRSCRO) is proactive in bringing together the regional private and governmental employers and educational institutions to work as partners to develop a comprehensive strategy to supply the adequately trained workforce in sufficient numbers to meet future demand. The

Total Estimated New Hires for Combined Companies



SRSCRO recognized that the existing industry studies and collaborative efforts to address the gaps to supply the future nuclear workforce were focused on the entire U.S. industry at a relatively high level with the smallest "slice" covering the entire Southeast U.S. The SRSCRO decided to support an in-depth nuclear workforce survey focused on our local region which encompasses Aiken, Allendale and Barnwell counties in South Carolina and Richmond and Columbia counties in Georgia.

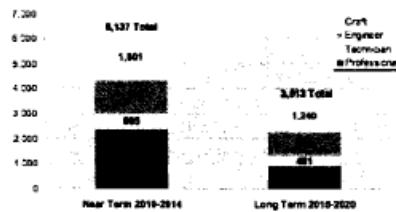
Nuclear Employers Participate

Eight regional nuclear employers associated with the Savannah River Site and commercial generation of electricity participated in the workforce survey from February through May 2009.

Nearly 10,000 New Hires Projected

The survey results indicated that about 9,650 key job classification new hires will be needed by the combined companies over the next decade to fill new positions and replace losses due to attrition and retirements.

Total Estimated New Hires for Combined Companies by Category



The private, governmental and educational institutions in the region along with economic development entities have a significant challenge to plan and implement new educational and training programs to ensure that an adequately trained and available workforce is ready in sufficient numbers to meet this demand.

The nuclear workforce survey results clearly indicate a significant demand for thousands of new nuclear workers for the Central Savannah River Area and the two-state region of Georgia and South Carolina. The demand will average about a 1,000 new hires per year over the next ten years. This demand encompasses Professional, Technician, Engineer and Craft job categories.



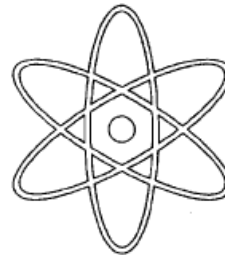
The SRSCRO's main objective for initiating the nuclear workforce survey was to obtain credible estimates of the quantity and timing of the demand for new nuclear workers needed to operate and build nuclear power plants and SRS facilities over the next decade (both to fill new positions and replacements for vacated jobs due to retirements and attrition).

The SRSCRO also expects that the survey data will help regional companies identify education and training requirements, develop regional collaborations to provide needed education and training and provide the necessary background to justify sources of Federal or other funding for energy-related workforce development.

SRSCRO Will Remain Proactive

The study recommends that SRSCRO should continue its role to convene the appropriate regional stakeholders and facilitate the development of a long term strategy to increase the educational and training capabilities within the region.

Specifically, the SRSCRO should continue to work with the survey-participating companies to determine their expectations for sources of new hires and to identify gaps that new regional initiatives can address, develop a priority ranking of key job classifications and review, revise or create curricula to meet future training needs.



For more information, contact:
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