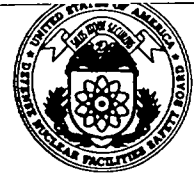


John T. Conway, Chairman
A.J. Eggenberger, Vice Chairman
Joseph J. DiNunno
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DEFENSE NUCLEAR FACILITIES SAFETY BOARD

625 Indiana Avenue, NW, Suite 700, Washington, D.C. 20004-2901
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June 30, 2000

The Honorable T. J. Glauthier
Deputy Secretary of Energy
1000 Independence Avenue, SW
Washington, D.C. 20585-1000

Dear Mr. Glauthier:

The Defense Nuclear Facilities Safety Board (Board) accepted the Department of Energy's (DOE) proposal to close Recommendation 93-3, *Improving Technical Capability in Defense Nuclear Facilities Programs*, on November 9, 1999. In the letter accepting closure of Recommendation 93-3, the Board agreed that DOE had met all of the commitments in the revised Implementation Plan for Recommendation 93-3. The Board also strongly encouraged the Federal Technical Capability Panel to maintain the commitments in its FY 2000 Action Plan and stated that the Board will continue to monitor DOE's efforts in this endeavor.

The Board has continued to monitor DOE's efforts through the Federal Technical Capability Panel to improve the technical capability of the federal workforce responsible for design, construction, and operation of defense nuclear facilities. In this regard, the Board recently received the report of an independent assessment of the Federal Technical Capability Program conducted by a team appointed by the Federal Technical Capability Panel. The independent assessment was conducted in April and May 2000, in accordance with the Panel's FY 2000 Action Plan. The assessment included a review of recently completed self-assessments performed by each organization represented on the Panel and visits to selected sites and DOE Headquarters Program Offices to independently assess implementation and effectiveness of the Federal Technical Capability Program in the selected organizations.

During the years since 1993 when the Board recommended that DOE give priority attention to the recruitment and retention of top-notch technical talent, the Board has witnessed a lackluster response to its urging. DOE has relied mostly upon self-assessments and only reluctantly included outside experts to participate as a team to independently review the DOE's Federal Technical Capability Program.

The independent assessment team's report, *U.S. DOE Federal Technical Capability Panel, Independent Assessment Report, June 2000*, offers a number of observations and recommendations. The Board believes that the independent assessment team's observations merit serious DOE management attention.

The independent assessment team, like the Board, is aware of the difficulties that beset efforts to recruit, develop and motivate a workforce when experiencing the pressures over the past years to downsize and stretch budgets. However, efforts to recruit and develop technical personnel of exceptional talent must be constant and successful if DOE's missions are to be effectively and efficiently accomplished.

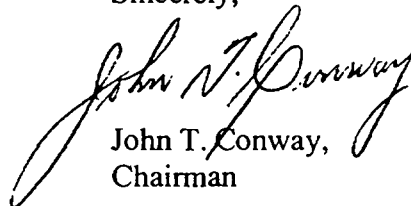
The Board has long stressed to DOE that efforts must be driven from the top as a corporate objective. The Board calls to your attention that President Clinton by his memorandum to all agency heads dated June 12, 2000, has stated that:

“Beginning on October 1, 2000, and annually thereafter, agency heads shall ensure that human resources management objectives and means to accomplish these objectives are incorporated in their Annual Review Plans.”

DOE's technical upgrade program initiated in 1993 in response to a Board recommendation was spearheaded by the then Deputy Secretary of Energy. The program has been proceeding under the momentum from that initial attention and improvements have resulted. However, senior DOE line management attention at the Headquarters level has noticeably diminished. In fact, the independent assessment team noted that senior DOE line management attention stops essentially at the field manager level and that attention at that level is quite variable. While the field managers certainly bear much of the responsibility for recruiting and developing their technical resources, DOE Headquarters must continue to provide the corporate-level vision, leadership, and resources.

The Board has benefitted from a briefing by Mr. Larry Kirkman (Chairman, Federal Technical Capability Panel) on the independent assessment report and the *Annual Report to the Secretary of Energy on the Status of Federal Technical Capability Related to the Safe Operation of Defense Nuclear Facilities*. The Board would like to be briefed on DOE's response to the observations and recommendations contained in both reports.

Sincerely,



John T. Conway,
Chairman

c: Mr. Mark B. Whitaker, Jr.