

United States Government

Department of Energy

memorandum

Oak Ridge Office

DATE: June 6, 2011

REPLY TO

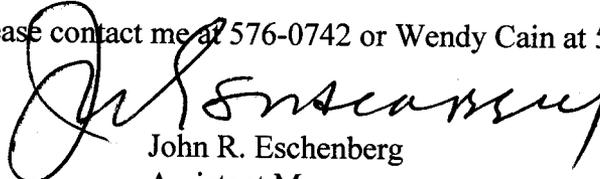
ATTN OF: EM-91:Cain

SUBJECT: **ENVIRONMENTAL MANAGEMENT PROCEDURE EM-6.1, REVISION 0,
"ACQUISITION EXECUTIVE ADVISORY BOARD" – APPROVED**

TO: Environmental Management Staff

The subject procedure (attached) is issued for your use. Please read and familiarize yourself with it. It will be placed on the Office of Environmental Management's Office Policies and Procedures web page, <http://www.oakridge.doe.gov/External/Default.aspx?tabid=120>, as soon as possible and will be available there for future reference.

If you have any questions, please contact me at 576-0742 or Wendy Cain at 574-9130.



John R. Eschenberg
Assistant Manager
for Environmental Management

Attachment

**Department of Energy
Oak Ridge Operations
Office of Environmental Management
Procedure**

ACQUISITION EXECUTIVE ADVISORY BOARD

**EM – 6.1
Revision 0**

Prepared: Wendy Cain 6/1/11
Wendy Cain Date
Procedure Preparer

Approved: John R. Eschenberg 6/3/2011
John R. Eschenberg Date
Assistant Manager for Environmental Management



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ACRONYMS

AE	Acquisition Executive
AMEM	Assistant Manager for Environmental Management
CD	Critical Decision
EM	Office of Environmental Management
FPD	Federal Project Director
EM-11	DOE EM HQ Office of Project Assistance & Assurance
EMAAB	Environmental Management Acquisition Advisory Board
ESAAB	Energy Systems Acquisition Advisory Board
HQ	Headquarters
IPT	Integrated Project Team
ORO	Oak Ridge Office
PB	Performance Baseline

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1.0 PURPOSE

The purpose of this procedure is to develop a board comprised of senior Oak Ridge Office (ORO) and ORO-EM (Environmental Management) management assembled to support the ORO Assistant Manager for Environmental Management (AMEM) in carrying out Acquisition Executive authority for

- (a) approving Critical Decisions (CDs), with the exception of CD-0, "Approve Mission Need", which shall be endorsed prior to Secretarial Acquisition Executive (SAE) approval, and
- (b) endorsing Performance Baseline Changes (and approved funding levels) that require Under Secretary or SAE approval.

The ORO Environmental Management Acquisition Advisory Board (EMAAB) recommends corrective action or endorsement prior to submittal to the Acquisition Executive (AE) depending on delegations of authority.

2.0 SCOPE

This procedure will apply to all Capital Asset Projects for Acquisition Executive (AE) consideration of:

- Critical Decisions
- Performance Baseline changes

This procedure is not applicable for decisions related to non-capital asset activities.

3.0 REFERENCES AND DEFINITIONS

3.1 References

- EM-1.1 (Revision 5) – *Site Change Control Board*
- DOE Order 413.3B, *Program and Project Management for the Acquisition of Capital Assets*

3.2 Definitions

- 3.2.1** Acquisition Executive (AE) - The individual designated by the Secretary of Energy to integrate and unify the management system for a program portfolio of projects and implement prescribed policies and practices.

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- 3.2.2 Capital Asset Project - A project with defined start and end points required in the acquisition of capital assets. The project acquisition cost of a capital asset includes both its purchase price and all other costs incurred to bring it to a form and location suitable for its intended use. It is independent of funding type. It excludes operating expense funded activities such as repair, maintenance or alterations that are part of routine operations and maintenance functions.
- 3.2.3 Critical Decision (CD) - A formal determination made by the SAE or AE at a specific point during the project that allows the project to proceed to the next phase or CD.
- 3.2.4 Performance Baseline (PB) - The collective key performance, scope, cost, and schedule parameters, which are defined for all projects at CD-2. The PB includes the entire project budget (Total Project Cost including fee and contingency) and represents DOE's commitment to Congress.

4.0 ROLES AND RESPONSIBILITIES

Appendix A displays the composition of the ORO EMAAB. Roles and responsibilities are outlined in the below procedure.

- The Project Management Division Director appoints the Secretariat.

5.0 PROCEDURE

1. Project Manager (with Portfolio Federal Project Director (FPD) approval) verifies the approving official for an action/decision and identifies the need for ORO EMAAB action.
2. If the action represents a Critical Decision approval, proceed to Step 3.
Note: if the action represents a Performance Baseline Change requiring AE approval, proceed to Step 4.
3. Project Manager (with support of Integrated Project Team (IPT)) prepares the required Critical Decision documentation.
 - Attain Portfolio FPD approval or concurrence on project documents, as required.
 - Prepare the appropriate **Critical Decision Prerequisite Checklist** (Appendix B).
 - Any items listed as “N/A” or explanations indicating less than CD requirements should be documented in the Tailoring Strategy approved by the Acquisition Executive.
 - For Environmental Restoration and Facilities D&D projects, certain Critical Decisions may be combined. In those instances, all prerequisites for the combined Critical Decisions are required to be prepared.

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- Prepare presentation briefing using the **Guidelines for CD Briefing Presentations** (Appendix C).
 - Obtain Portfolio FPD approval of CD package and checklist.
 - Forward the completed material to the ORO EMAAB Secretariat.
 - Proceed to Step 5.
4. Project Manager (with support of Integrated Project Team) prepares Baseline Control documentation and implements ***EM-1.1 (current revision) Site Change Control Board***.
- Upon SCCB endorsement of a Performance Baseline Change, prepare presentation briefing using the **Guidelines for CD Briefing Presentations** (Attachment C).
 - Obtain Portfolio FPD approval of Baseline Change Proposal.
 - Forward the completed material to the ORO EMAAB Secretariat.
 - Proceed to Step 5.
5. Secretariat reviews the input for completeness. If documentation is incomplete, it is returned to the Project Manager for revisions (with support of Integrated Project Team) until documentation is complete.
6. Secretariat schedules ORO EMAAB briefing such that a quorum of at least seven permanent ORO EMAAB members (Appendix A) will attend.
- Secretariat and Deputy AMEM identify subject matter experts to request as part of ORO EMAAB discussion.
 - Minimum ORO EMAAB members required to recommend decisions on emergency actions are: (1) AMEM or Deputy AMEM, (2) Planning and Baseline Management Division Director, (3) affected Portfolio FPD, (4) affected Contracting Officer, and (5) Planning and Budget Division Director. Designees may be appointed if necessary.
7. At least one calendar week prior to scheduled ORO EMAAB meeting:
- Secretariat distributes proposed agenda and documentation for ORO EMAAB member review. Emergencies may be handled in an expedited manner on a case-by-case basis; however ORO EMAAB members should have sufficient time to review documentation.
 - Secretariat prepares appropriate memorandum:
 - i. Memorandum documenting approval of action if within ORO approval authority
 - ii. Memorandum documenting endorsement of action if approval authority is within Headquarters.

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8. **This step is OPTIONAL** - Prior to the ORO EMAAB Meeting, these good practices should be considered:
- Secretariat and Portfolio FPD may brief the Chair and Vice Chair on the proposed action and potential issues or impacts.
 - Project Manager may dry run the ORO EMAAB briefing with the Portfolio FPD and/or members of the IPT
9. ORO EMAAB Chair and Members conduct meeting:
- Receive briefing from Project Manager and responsible Portfolio FPD
 - Discuss and evaluate proposed actions
 - Recommend Acquisition Executive response(s).
- If ORO EMAAB recommendation is in support of proposed action, proceed to Step 10. Otherwise, return action(s) to Project Manager for rework or resolution (with support from IPT) as necessary.
10. Secretariat documents recommended ORO EMAAB meeting:
- Summary of recommendation(s) and/or actions required
 - Copies of briefings
 - ORO EMAAB Board members concur on the approval/endorsement memorandum (as necessary).
11. Secretariat forwards ORO EMAAB documentation and approval/endorsement memorandum to Acquisition Executive.
12. For actions representing ORO Acquisition Executive approval authority, proceed to Step 13.
- Note:* For actions representing Headquarters Acquisition Executive approval authority, proceed to Step 15.
13. Acquisition Executive signs the memorandum approving the recommended action.
14. Secretariat forwards copy of Acquisition Executive decision to EM Headquarters Director of the Office of Project Assistance and Assurance (EM-11). **Procedure is complete.**
15. Portfolio FPD forwards required documentation with ORO EMAAB endorsement to EM Headquarters Office of Project Assistance and Assurance (EM-11) for review prior to the targeted date for the Pre-EMAAB, EMAAB, Pre-Energy Systems Acquisition Advisory Board (ESAAB), or ESAAB meeting(s).
16. The steps of the Office of Environmental Management Standard Operating Policies and Procedures, *SOPP #41, Capital Asset Project Critical Decision Approval Process* are followed to completion.

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6.0 RECORD KEEPING

Acquisition Executive approval or endorsement memoranda are considered official project records and will be filed in the EM document management system by the appropriate project file code.

7.0 APPENDICES

- Appendix A ORO EMAAB Composition
- Appendix B Critical Decision Prerequisite Checklist
- Appendix C Guidelines for CD Briefing Presentations

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Appendix A - ORO EMAAB Composition

Position	Permanent Member	Subject Matter Expert
ORO Environmental Management (EM)		
Assistant Manager for EM	Chair	
Deputy Assistant Manager for EM	Vice-Chair	
Chief of Staff for EM	✓	
Project Management Division (PMD) Director	✓	
Planning & Baseline Management (PBMD) Division Director	✓	
Engineering Division (ED) Director	✓	
Facility Operations Division (FOD) Director	✓	
Performance Assurance Division (PAD) Director	✓	
Portfolio Federal Project Directors (unaffected by action) – See Note	✓	
ARRA Portfolio Manager		✓
ORO Support Offices		
Contracting Officer (affected by action)	✓	
Procurement & Contracts Division Director (or designee)		✓
Planning and Budget Division Director (or designee)	✓	
Chief Financial Officer		✓
Assistant Manager for Security and Emergency Management		✓
Assistant Chief Counsel for Environment		✓
Other organizations as requested by AE		✓

Note: The responsible Portfolio FPD affected by the action is not a member of the ORO EMAAB, but rather presents with the Project Manager.

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Appendix B - ORO EMAAB Prerequisites for Critical Decisions

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ORO EMAAB

Pre-Requisites for CD-1, Approve Alternative Selection and Cost Range

Project: _____

Prepared by: _____ Date: _____
Project Manager

Requirement	Complete or N/A	Explanation
Acquisition Strategy		
Preliminary Project Execution Plan • Tailoring Strategy		
Federal Project Director Appointment		
Integrated Project Team Charter		
Risk Management Plan and initial Risk Assessment		
Cost Range		
If TPC >= \$100M, OEMC: Independent Cost Estimate/Review		
Documentation of High Performance and Sustainable Building provisions		
Conceptual Design Report (or Remedial Investigation/Feasibility Study & Proposed Work Plan)		
Conceptual Design Review		
Programs/requirements established: • Integrated Safety Management Plan • Quality Assurance Program • Safeguards & Security		

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NEPA Strategy and Environmental Compliance Strategy		
Design Project Data Sheet (PBS)		
If Nuclear Facility (Hazard Category 1, 2, or 3): <ul style="list-style-type: none"> • Safety Design Strategy • Independent Project Review • Conceptual Safety Design Report • Conceptual Safety Validation Report 		
If Non-Nuclear Facility: <ul style="list-style-type: none"> • Preliminary Hazard Analysis Report 		

Approved by: _____ Date: _____
Portfolio Federal Project Director

* Items listed as N/A or explanations less than CD requirements should be documented in Tailoring Strategy approved by the Acquisition Executive

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ORO EMAAB

Prerequisites for CD-2, Approve Performance Baseline

Project: _____

Prepared by: _____ Date: _____
Project Manager

Requirement	Complete or N/A	Explanation
Acquisition Strategy (updated)		
Project Execution Plan (updated)		
Performance Baseline (including TPC, CD-4 date, minimum KPPs, milestones, funding profile/assumptions)		
Baseline Information: <ul style="list-style-type: none"> • Detailed Cost & Schedule Estimates • Resource Loaded Schedule • Risk Management Plan and Risk Analysis 		
Project Management Plan (Contractor, if applicable)		
Preliminary Design Review Preliminary Design Report		
Project Definition Rating Index Analysis		
If TPC >= \$100M, OEMC: <ul style="list-style-type: none"> • Performance Baseline EIR • Independent Cost Estimate • Performance Baseline Validation Letter IF TPC <\$100M, PMSO: <ul style="list-style-type: none"> • Performance Baseline IPR 		

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<ul style="list-style-type: none"> • Technology Readiness Assessment and Technology Maturation Plan (if necessary) 		
Contractor employing EVMS		
Preliminary Security Vulnerability Assessment		
NEPA documentation (EIS or EA)		
Construction Project Data Sheet (PBS)		
If Nuclear Facility (Hazard Category 1, 2, or 3): <ul style="list-style-type: none"> • Code of Record under configuration control • Safety Design Strategy (update) • Technical Independent Project Review • Preliminary Safety Design Report • Preliminary Safety Validation Report 		
If Non-Nuclear Facility: <ul style="list-style-type: none"> • Hazard Analysis Report 		

Approved by: _____ Date: _____

Portfolio Federal Project Director

* Items listed as N/A or explanations less than CD requirements should be documented in Tailoring Strategy approved by the Acquisition Executive

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ORO EMAAB

Prerequisites for CD-3, Approve Start of Construction/Execution

Project: _____

Prepared by: _____ Date: _____

Project Manager

Requirement	Complete or N/A	Explanation
Updated CD-2 Documents: (Acquisition Strategy, PEP, Baseline, Risk Management Plan, Data Sheet, etc.)		
Final Design Review Final Design Report		
Contractor EVMS certified by appropriate entity and reporting		
Construction or Execution Readiness (EIR or IPR)		
If TPC >= \$100M, OEEM discretion: • Independent Cost Estimate		
Technology Readiness Assessment (if required)		
Construction Project Safety and Health Plan		
Quality Assurance Program (update)		
Security Vulnerability Assessment Report (if necessary)		
Environmental – Record of Decision issued		

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If Nuclear Facility (Hazard Category 1, 2, or 3): <ul style="list-style-type: none"> • Code of Record under configuration control • Safety Design Strategy (update) • Preliminary Documented Safety Analysis • Safety Evaluation Report 		
If Non-Nuclear Facility: <ul style="list-style-type: none"> • Hazard Analysis Report (update) 		

Approved by: _____

Date: _____

Portfolio Federal Project Director

* Items listed as N/A or explanations less than CD requirements should be documented in Tailoring Strategy approved by the Acquisition Executive

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ORO EMAAB

Pre-Requisites for CD-4, Approve Start of Operations or Project Completion

Project: _____

Prepared by: _____ Date: _____
Project Manager

Requirement	Complete or N/A	Explanation
Verify Key Performance Parameters and Project Completion Criteria Met		
Project Transition to Operations Plan Code of Record (if nuclear facility)		
Environmental Management System (revise, as appropriate)		
Contractor Evaluation Documents (if applicable)		
If Nuclear Facility (Hazard Category 1, 2, or 3): <ul style="list-style-type: none"> • Operational Readiness Assessment or Readiness Review • Documented Safety Analysis and Technical Safety Requirements • Safety Evaluation Report 		
If Non-Nuclear Facility: <ul style="list-style-type: none"> • Hazard Analysis Report (final) • Assessment of Readiness to Operate 		
Project Close-Out Post CD-4 (to be met within 90 Days)		
Finalize PARS II reporting		
Initial Project Closeout Report		

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Lessons Learned Documented and distributed		
Update FIMS and Ten Year Site Plan, as applicable		

Approved by: _____ Date: _____
 Portfolio Federal Project Director

* Items listed as N/A or explanations less than CD requirements should be documented in Tailoring Strategy approved by the Acquisition Executive

Appendix C - ORO EMAAB Guidelines for CD Briefing Presentations

These guidelines have been prepared to aid project managers in the preparation of presentation materials for Critical Decision meetings. The following viewgraphs represent the recommended content for submittal that should be used to present information. They may be augmented by additional viewgraphs as necessary to illustrate project systems, problems/issues, or other pertinent factors. Presentation materials should be minimized to the extent practical.

Viewgraphs:

1. **Title Page** - Indicate the official name of the project and the name of the presenters, as well as the requested critical decision.
2. **Project Technical Process** - Show a recent photograph or artist's conception of the project. Use a technical process flow chart or similar graphic to summarize how the facility or machine is expected to function. A history of subproject related events and detailed technical description should be avoided due to time constraints.
3. **Project Objectives and Technical Baseline** - State the key project objectives. The relationship between the project and subproject objectives should be clear. Show the basic technical baseline requirements for the subproject.
4. **Project Summary Schedule - All Years** - To provide an overview of subproject activity, display the baseline schedule for the life of the subproject. Include all critical decision points; other critical decisions and events; major milestones including any that may impact the project's critical path; and critical path for subproject implementation.
5. **Safety and Permitting** - Provide status of safety documentation and applicable permits related to the subproject.
6. **Readiness to Proceed** - Using bullets briefly summarize progress, accomplishments, and performance to date. Include the most significant rationale for readiness to proceed and separately list the subjects of any substantive problems, issues, and/or items of concern that will be shown on the subsequent viewgraphs.
7. **Problems/Issues/Items of Concern** - Succinctly state the problem, issue, or item of concern. List the corrective actions taken to date, additional corrective actions required (with dates), and an assessment of the impact on the subproject. Prepare a separate viewgraph for each topic to be discussed in this section. Supplement each viewgraph, as necessary, with appropriate illustrative material to present the problem, issue, or item of concern in an informative manner. Provide a comparison of the planned baseline versus funding profile (not necessarily as Problems/Issues/Items of Concern).
8. **Summary of Key Points and Next Steps** - State the highlights and key points; requested decision; and planned actions following the requested decision by the Approval Authority.