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**The Deputy Secretary of Energy**  
Washington, DC 20585

September 26, 2000

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## MEMORANDUM FOR HEADS OF DEPARTMENTAL ELEMENTS

FROM:  T. J. GLAUTHIER

SUBJECT: FIELD RESTRUCTURING

As you know, we have been reviewing the field structure of the Department as we proceed with the establishment of the National Nuclear Security Administration (NNSA). This memorandum directs changes that will begin taking effect October 1. Additional changes are under discussion and may be decided and implemented in the transition to the next Administration.

As these changes are made, the principles established by Secretary Richardson in the April 21, 1999 Departmental restructuring memorandum are being adhered to. In particular, the Department continues to strive for clear, unambiguous lines of authority. With this in mind, I am directing organizational adjustments in the DOE operations offices that are currently directed by Field Managers who are "dual hatted" as employees of the NNSA. These changes are to be effective as of October 1, 2000, at which time the Field Managers will no longer be "dual hatted."

Although the changes will be effective on October 1, 2000, the full implementation of these changes will require administrative actions that cannot be fully effected prior to that date. We are continuing to address a number of organizational, human resources and other issues in order to assure that employees of the Department are not adversely impacted by these changes and the rights of employees and their unions, as applicable, are not affected. These changes may also require notice to and consultation with the unions that represent affected employees.

The following changes are hereby directed, with implementation to begin as soon as possible.

- **Oakland Operations Office.** The Oakland Operations Office will become part of the NNSA and report to the Deputy Administrator for Defense Programs. The Operations Office Manager and staff, other than those who work exclusively on non-NNSA programs, will be designated as employees of the NNSA. The Berkeley and Stanford Site Offices will report to the Office of Science and obtain administrative, legal and contract support from the Oakland Operations Office pursuant to a memorandum of agreement (MOA). Contract authority for these offices will be transferred to the senior Office of Science employee at the Oakland Operations Office or to the Berkeley and Stanford Site Managers, as determined appropriate.
- **Oak Ridge Operations Office.** A new Area Office will be established with

responsibility for the operations of the Y-12 facilities. The Area Office Manager will be the contracting officer and will report to the Office of the Deputy Administrator for Defense Programs. The Oak Ridge Operations Office will provide administrative, legal and contract support to the Area Office pursuant to a memorandum of agreement (MOA).

- **Savannah River Operations Office.** A new Area Office will be established with responsibility for the NNSA operations at the Savannah River site. The Area Office Manager will be the contracting officer and will report to the NNSA Administrator or another senior official in the NNSA. The Savannah River Operations Office will provide administrative, legal and contract support to the Area Office pursuant to a memorandum of agreement (MOA).
- **Chicago Operations Office.** The plutonium disposition group in the Chicago Operations Office will report to the Savannah River NNSA Area Office Manager. The employees in this group will remain duty stationed in Chicago, and will receive support as needed from the Chicago Operations Office.
- **Albuquerque Operations Office.** On September 22, 2000, Secretary Richardson announced the elevation of the WIPP Office to take on the authorities of a Field Office. In keeping with that, the WIPP Field Office Manager will be the contracting officer and will report to the Assistant Secretary for Environment Management. The Albuquerque Operations Office will provide administrative, legal and contract support to the WIPP Field Office pursuant to a memorandum of agreement (MOA).
- **Richland Operations Office.** In order to assure that the operations of the Pacific Northwest National Laboratory (PNNL) are fully integrated into the overall management of the Hanford site, the Richland Assistant Manager with responsibility for PNNL will be elevated to the position of Associate Manager for Science and Technology and, as a member of the Senior Management Board, participate in establishing policy for the Hanford site.

I have asked David M. Klaus, the Director of Management and Administration, to work closely with Under Secretary Gordon and Under Secretary Moniz as we implement these changes. I appreciate your assistance in discussing these changes over the past several weeks, and now in implementing them over the next several weeks.

cc: Under Secretary Ernest J. Moniz  
Under Secretary John A. Gordon