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Washington, DC 20585

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February 25, 2011

MEMORANDUM FOR JACK R. CRAIG
DIRECTOR
CONSOLIDATED BUSINESS CENTER

FROM: INÉS R. TRIAY
ASSISTANT SECRETARY FOR
ENVIRONMENTAL MANAGEMENT

SUBJECT: Delegation of Acquisition Executive Authority for Capital Asset Projects at Small Sites

In accordance with the guidelines of Department of Energy (DOE) Order (O) 413.3B, *Program and Project Management of the Acquisition of Capital Assets*, I delegate Acquisition Executive (AE) Authority for all Environmental Management (EM) Capital Asset Projects at the following sites with a Total Project Cost of less than $100M to you, as Director, Consolidated Business Center (CBC), with the exception of Critical Decision-0, "Approve Mission Need."

- West Valley Demonstration Project (WVDP)
- Separation Process Research Until (SPRU)
- Energy Technology Engineering Center (ETEC)
- Moab UMTRA Project
- Argonne National Laboratory (ANL)
- Brookhaven National Laboratory (BNL)
- Stanford Linear Accelerator Center (SLAC)
- Nevada National Security Site (N2S2)
- Los Alamos National Laboratory (LANL)

This delegation must be specific to each capital asset project. You must demonstrate and affirm the ability to perform all duties of an AE as identified in the DOE O 413.3B. As such, each site must have a robust project management system and a functioning project management organization (including competent and certified Federal Project Directors (FPD) as well as warranted Contracting Officers (CO)) that deliver acquisition quality, result in seamless integration with the management of the site's EM portfolio, and demonstrate due diligence and due process. AE authorities may not be delegated further. This delegation will remain in force until superseded or rescinded.

As you execute your AE authorities, you must demonstrate within 120 days of the date of this memorandum:

- A project management organization is in place to oversee contractor activities and assure compliance with DOE O 413.3B;

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- At the appropriate certification level, FPD are assigned to, formally designated on, and fully empowered to direct EM capital asset projects;
- Processes and procedures are in place to implement DOE O 413.3B, including a functioning acquisition advisory board that advises and provides recommendations to you, as the AE, on the disposition of Critical Decisions (CD), Performance Baseline (PB) deviations, proposed PB changes, and associated modifications to or other actions taken on impacted contracts;
- The process of reviewing and dispositioning CDs, PB deviations, and PB changes is fully integrated with the procedures of contract administration such that potential contract modifications are coordinated with the CO, who is solely authorized to execute such changes as specified in the Federal Acquisition Regulation, Part 1.602-1 (Authority);
- All affected contracts have been modified to incorporate DOE O 413.3B, including the Contractor Requirements Document; and
- You have received a briefing on the changes in DOE O 413.3B (refer to briefing by Director, Office of Engineering and Construction Management).

In support of this delegation, it is my expectation that all projects will adhere to the requirements of DOE O 413.3B. The FPD must also assure accurate and current information is reported in the Integrated Planning, Accountability, and Budgeting System, the Project Assessment and Reporting System II, and the Monthly/Quarterly Progress Reviews. Finally, copies of all AE actions taken at the site should be provided to Mr. Lowell Ely, Director, Office of Project Assistance and Assurance. This rescinds all previous delegation memorandums.

If you have any further questions, please contact Dae Y. Chung, Principal Deputy Assistant Secretary for Environmental Management at (202) 586-5216.

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