ENERGY SYSTEMS ACQUISITION ADVISORY BOARD (ESAAB) PROCEDURES

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ENERGY SYSTEMS ACQUISITION ADVISORY BOARD PROCEDURES

1.0 BACKGROUND

The DOE Order 413.3, Program and Project Management for the Acquisition of Capital Assets, and the DOE Manual 413.3-1, Project Management for the Acquisition of Capital Assets, establish a management process to translate user needs and technological opportunities into reliable and sustainable facilities, systems and assets that provide the required mission capability. The management process is organized by project development phases and "Critical Decisions (CDs)." The Deputy Secretary is the Secretarial Acquisition Executive (SAE) for the Department of Energy (DOE). As the SAE, he/she promulgates Department-wide policy and direction, and personally will make critical decisions for Major System Projects. The project development phases represent a logical maturing of broadly stated mission needs into well-defined technical, system safety and quality requirements, and ultimately into operationally effective, suitable, and affordable facilities, systems, and other end products.

2.0 PURPOSE

The purpose of the Energy Systems Acquisition Advisory Board (ESAAB) is to assist the SAE in the decision-making process for Major System Projects over $400 million; other projects designated by the SAE; Performance Baseline changes at the SAE approval level; and approves site selections for facilities for new sites. The SAE will make the final decision on the action presented before the ESAAB considering the input from the ESAAB members and pertinent information. The ESAAB members will act as objective advisers in the evaluation of the project proposal, providing to the SAE expert analysis, advice, and recommendations with respect to the implications of the proposed action.

3.0 ROLES AND RESPONSIBILITIES

<u>Secretarial Acquisition Executive</u>
The Deputy Secretary, as SAE, reports directly to the Secretary and has line accountability for all program/project acquisitions. The SAE serves as the chair for the ESAAB, makes critical decisions on Major System Projects, approves Performance Baseline changes at the SAE approval level, and approves site selections for facilities for new sites. Additionally, the Deputy Secretary may designate any project below the $400 million threshold a Major System Project and serve as the SAE.

Energy System Acquisition Advisory Board (ESAAB) Members
The ESAAB members provide an independent assessment to the SAE of concerns and issues for the project including acting as objective advisors and assuring common project management and business practices are followed. The ESAAB members will attend all ESAAB meetings or provide an alternate.

Pre-ESAAB Review Members
The Pre-ESAAB Review members include the Program's Advisory Board members and staff representatives of the ESAAB members. The Pre-ESAAB Review members will act as objective advisors in the evaluation of the proposed decision to assure that DOE requirements are met and common project management and business practices are followed. The Pre-ESAAB Review members will review the project's readiness to proceed to a formal decision and provide feedback, advice and information to their respective ESAAB members. Where possible, the Pre-ESAAB Review members should try to resolve comments and issues prior to the formal ESAAB meeting with the SAE.

Program Advisory Board
The Program Advisory Board is a board whose purpose and composition are similar to the ESAAB. It serves the Program's Acquisition Executive and functions according to the Program's procedures.

ESAAB Secretariat
The Director for the Office of Engineering and Construction Management (OECM), within the Office of Management, Budget and Evaluation, is the ESAAB Secretariat and provides staff support to the SAE and board members for ESAAB presentations, independent assessments and analyses of project planning, CDs, Performance Baseline changes at the SAE approval level, and other significant decisions.

4.0 ESAAB MEMBERS

A list of the ESAAB members is included in Attachment 1. The Deputy Secretary may designate other Program Secretarial Officers or functional staff as board members, as needed.

5.0 ESAAB TIMELINE

The ESAAB review activities timeline is outlined in Attachment 2.

5.1 Pre-ESAAB Review

The Program's Advisory Board Secretariat will be responsible for scheduling and conducting a Pre-ESAAB Review. The Pre-ESAAB Review will be chaired by the designated Program's Advisory Board chairperson.

The Pre-ESAAB Review serves as a dry-run of the presentation for the ESAAB meeting. Attachment 3 provides a suggested presentation outline for an ESAAB meeting. Each briefing should be tailored to include essential information for the SAE and ESAAB members. The goal of the Pre-ESAAB Review is to resolve all comments and issues prior to the formal ESAAB meeting with the SAE. The Pre-ESAAB Review is comprised of the Program's Advisory Board members and staff representatives of the ESAAB Members to ensure that the project is ready to proceed and identify important issues. The Pre-ESAAB Review members will review each project from their own organization's perspective. The designated Federal Program official (e.g., the Federal Project Director, the Site Manager, or the Program Manager) will brief the Pre-ESAAB Review members on the project's readiness to proceed to the next CD phase, the Performance Baseline change at the SAE approval level or site selections for facilities for new sites. The same briefing that is proposed for the ESAAB meeting should be presented at the Pre-ESAAB Review.

The Program's Advisory Board Secretariat will provide appropriate project documents and materials to the members approximately two weeks in advance of the Pre-ESAAB Review. The materials provided will be the action documents necessary for the requested action, results from reviews since the last ESAAB meeting, corrective action plans, risk analyses, management plans, and other materials that support the proposed action.

The Pre-ESAAB Review members will complete the Pre-ESAAB Review Comments and Disposition Record Form (Attachment 4) presented to them during the Pre-ESAAB Review. This form will serve to collect comments and recommendations. This form will be returned to the Program's Advisory Board Secretariat.

After the Pre-ESAAB Review, the Program's Advisory Board Secretariat will work with the members to answer inquiries and resolve issues prior to the SAE's ESAAB meeting. Resolution of as many issues and concerns should be accomplished at the lowest level as possible and bringing only the most important issues for consideration to the ESAAB meeting.

Once the issues and concerns have been resolved to the extent possible, the Program's Advisory Board Secretariat will confirm the program's readiness to continue with the ESAAB meeting.

5.2 Scheduling an ESAAB Meeting

After the Pre-ESAAB Review, the Program's Advisory Board Secretariat will provide an electronic request to the ESAAB Secretariat at ESAAB.SECRETARIAT@hq.doe.gov to schedule an ESAAB meeting with the SAE. The OECM staff electronically verifies to the ESAAB Secretariat that the project is ready to proceed with an ESAAB meeting. The ESAAB Secretariat will schedule the ESAAB meeting and coordinate the availability and distribution of materials and attendance at the ESAAB meeting. An electronic copy of the project presentations will be provided to the ESAAB Secretariat by the Program's Advisory Board Secretariat or designee. The ESAAB Secretariat will forward the briefing to the ESAAB members.

5.3. Secretarial Acquisition Executive Pre-Brief

A pre-briefing is conducted or a read ahead is provided by the ESAAB Secretariat to the SAE to assist in his/her preparation for the ESAAB meeting. The objectives of the pre-briefing or a read ahead are to provide background and description of the project, an independent assessment of remaining issues/problems to be presented, and clarify any technical and management items. Any feedback will be provided immediately by the ESAAB Secretariat to the affected program office designated Federal Program official.

5.4 ESAAB Meeting

At the ESAAB meeting, it is intended that the briefing be a candid discussion to advise the SAE of the project's status and action(s) being requested. The ESAAB members will provide an independent assessment to the SAE of the project as objective advisors and assuring common project management and business practices are followed.

The designated Federal Program official will present the briefing. The briefing should be concise and emphasize the steps that were taken to reach this point, surface significant comments and issues along with their resolution, and provide a recommendation for the decision that will be made by the SAE. It is essential that the briefer address significant issues, problems, and risks that are associated with the project, that these issues and problems be fully coordinated well in advance with cognizant staff and program officials.

The meeting of the ESAAB members is intended to provide the SAE with the best advice and counsel from the Department's executive officials pertinent to the decision. To preserve the free flow of discussion, the attendance will be limited to the ESAAB members and other invitees. Other invitees may include: Federal Program Manager, Field/Site Manager, and representatives from other DOE organizations. Contractor participation is not the norm and will be approved on a case-by-case basis.

Following the meeting, the ESAAB Secretariat will complete and distribute a Decision Memorandum for the SAE's signature summarizing the results of the meeting.

5.5 **Special ESAAB Meeting**

Special ESAAB meetings may be requested by a program office if there is an immediate project need. Such a request will be reviewed on a case-by-case basis. The request would include a statement regarding the decision or other action requested, background, support factors and any other relevant information.

ATTACHMENT 1

Energy Systems Acquisition Advisory Board (ESAAB) Members

Organization	**Symbol**
Deputy Secretary, Secretarial Acquisition Executive	DS
Under Secretary, Office of the Under Secretary for Energy, Science and Environment	US
Administrator, Office of the National Nuclear Security Administration	NA-1
Director, Office of Management, Budget and Evaluation/Chief Financial Officer	ME-1
General Counsel, Office of General Counsel	GC-1
Assistant Secretary, Office of Environment, Safety, and Health	EH-1
Director, Office of Science	SC-1
Assistant Secretary, Office of Environmental Management	EM-1
Deputy Administrator, Office of Defense Programs	NA-10
Director, Office of Engineering and Construction Management	ME-90
Director, Office of Procurement & Assistance Management	ME-60
Director, Office of Planning, Analysis and Evaluation (CD-0 Meetings)	ME-20
Director, Office of Acquisition and Supply Management (NA Meetings)	NA-63

ATTACHMENT 2

TIMELINE OF ESAAB ACTIVITIES

The steps outlined below provide normal working times and responsibilities for the activities prior to and immediately following an ESAAB meeting.

	Activities/Responsible Organization	Calendar Days Relative to Meeting
a.	Schedule and coordinate Pre-ESAAB Review with Program's Advisory Board Members, and staff representatives of the ESAAB members (Program).	22 -30
b.	Provide the briefing material and supporting documentation, as appropriate, to attendees of the Pre-ESAAB Review (Program).	22 - 30
c.	Conduct a Pre-ESAAB Review (Dry-Run) (Program).	17 - 26
d.	Electronic request to ESAAB Secretariat for proposed ESAAB meeting (Program).	14 - 26
e.	OECM staff electronically verifies to the ESAAB Secretariat that project is ready to proceed (OECM).	13 - 26
f.	Schedule an ESAAB meeting for the project with the Secretarial Acquisition Executive's (SAE) staff (Secretariat).	12 - 26
g.	ESAAB Members notified of proposed ESAAB ESAAB meeting (Secretariat).	8 -12
h.	Final copy of briefing material sent to the ESAAB Secretariat electronically (Program).	8 -12
i.	ESAAB Members sent a final copy of briefing material (Secretariat).	8 -12
j.	Conduct SAE Pre-Brief meeting, as necessary (Secretariat).	3 - 5
k.	Conduct ESAAB meeting (SAE).	0
l.	Complete and distribute ESAAB meeting minutes and Decision Memorandum for SAE approval (Secretariat).	4 -10
m.	Close out action items listed in the Decision Memorandum approved by the SAE, if applicable.	TBD

ATTACHMENT 3

SUGGESTED PRESENTATION OUTLINE FOR THE ESAAB MEETING

The outline is a guide to assist in preparing the ESAAB presentations. Each briefing should be tailored to include only essential information for the project being briefed at the ESAAB meeting.

Informal feedback from the prior meetings is that the presentation should be limited to 8-10 (maximum) slides with other information in backup. The presentation slides should include the following content.

- Purpose (action being requested)
- Project Description and Scope including Total Project Cost, Location/Features
- Include unique aspects for each Critical Decision being discussed
    - For example, CD-1, how the project alternatives were narrowed, why the preferred alternative was recommended/selected.
- Summary Schedule (including significant project milestones)
- Baseline Resource Plan (Funding and Major cost elements only)
- Major Project Risks and Mitigation Strategies
- Results of Reviews and Assessments
- Management Plan (including organizational responsibilities and Status of Federal Project Director regarding the Project Management Career Development Program certification)
- Other Considerations
    - Environment, Safety and Health
    - Security
    - Challenges, Issues, and Potential Sensitivities
- Summary and Recommendations, Readiness to Proceed, Key Points

Note: Backup Slides should be included in the package to:
- Assist the SAE in preparation for the meeting
- Answer anticipated questions
- Provide amplifying information
- Discuss alternative selection criteria
- Provide any other information that may provide a more complete understanding

ATTACHMENT 4

PRE-ESAAB REVIEW
Comments & Disposition Record (DR) Form

PROJECT INFORMATION:

CD/BCP Title: _____ Org Code: _____ Date: _____

Project # _____ Project Title: _____

PRE ESAAB REVIEW:

Name: _____ Org Code: _____
(Pre-ESAAB Review Member)

Comments:

Signature: _____

ORGANIZATION'S STATEMENT OF POSITION:

Statement:

Please return this form
*to:*_____ *by*