

**DEPARTMENT OF ENERGY (DOE)****Statement of Regulatory Priorities**

The Department of Energy's (DOE's) 1996 regulatory plan reflects the Department's mission, priorities, and commitment to help create a Government that works better and costs less. In keeping with the Department's strategic plan and the President's regulatory reform initiatives, the following regulatory actions are highlighted:

- Energy efficiency standards for appliances and equipment;
- Radiation protection of the public, workers, and the environment;
- Nuclear facilities safety management; and
- Contract reform.

**Our Mission**

The Department contributes to the Nation's welfare through its extraordinary scientific and technical capabilities in energy research, environmental remediation, and national security. The activities of the Department are focused on five mission areas: The promotion of industrial competitiveness, the development and efficient utilization of energy resources, the advancement of scientific research and technological leadership, the reduction of environmental risks, and the maintenance of our national security.

The regulatory initiatives summarized in this plan are integral to performing the Department's vital mission at reduced cost, while increasing the level of service to the American public.

**Energy Efficiency Program for Consumer Products and Commercial Equipment**

Consistent with the National Performance Review's recommendations on regulatory reform, the Department has continued to develop better ways of carrying out its rulemaking responsibilities. In particular, the Department has engaged in an intensive effort over the past year to address stakeholder concerns with its rulemaking process for adopting new appliance and equipment efficiency standards.

The Department published a final rule on July 15, 1996, to formalize the new procedures and policies that the Department will follow in establishing energy efficiency standards for appliances and equipment. The new process provides for greater public input and improved analytical approaches, encourages consensus-based standards

that streamline the regulatory process, and reduces the time and cost of developing new standards. This rule is a major step toward making the development of new and revised efficiency standards as timely, effective, and equitable as possible.

The Department is also in the process of establishing an Advisory Committee on Appliance Energy Efficiency Standards to review annually the implementation of process improvements and the progress being made on updating appliance and equipment efficiency standards. The Advisory Committee will be composed of interested stakeholders and will be chaired by the Assistant Secretary for Energy Efficiency and Renewable Energy.

One key element of the new procedure is the systematic development of rulemaking priorities with input from stakeholders. At least annually, the Department will review, in consultation with interested parties, its priorities and schedules for all efficiency standards activities. The rulemaking process is dynamic, and the schedule for and specific actions taken in the conduct of a particular rulemaking may change due to factors such as new data or analytical results.

Appliances and equipment subject to energy efficiency standards and determinations have been categorized as high, medium, or low priority based on public input and the criteria listed in the procedural rule. The schedules in this Regulatory Plan and the Unified Agenda of Federal Regulatory and Deregulatory Actions reflect priorities established with significant input from the public.

The Department expects to take substantial action during fiscal year 1997 with respect to the high priority items (i.e., distribution transformers, refrigerators and freezers, clothes washers, room air conditioners, fluorescent lamp ballasts, water heaters, and kitchen ranges, ovens, and microwaves). Additional information and timetables for these actions are presented below. Information concerning the medium priority items (i.e., small electric motors, residential central air conditioning, and central air conditioning heat pumps) and low priority products (i.e., high intensity discharge lamps, clothes dryers, dishwashers, mobile home furnaces, residential furnaces and boilers, pool heaters, direct heating equipment, 1-200 HP motors, and fluorescent and incandescent lamps) appears in the

Long-Term Action section of the Unified Agenda.

**Nuclear Safety Regulations**

The Department is committed to openness and public participation as it faces one of its greatest challenges—managing the environment, health, and safety risks posed by its nuclear facilities. The two Department rulemakings on radiation protection (10 CFR parts 834 and 835) will establish additional reporting, monitoring, and discharge requirements and a dose limitation system for protecting the public and the Department's Federal and contractor workforce. The new nuclear safety management regulation (10 CFR part 830) will codify and strengthen requirements applicable to contractors and subcontractors who manage the Department's nuclear facilities.

In August 1995, the Department published a notice of limited reopening of the comment period to request public comments on the part 830 and part 834 rulemakings. The Department has made significant progress in resolving the hundreds of comments it received and has addressed many related issues raised by the Defense Nuclear Facilities Safety Board. Resolution of the remaining issues continues and the Department expects to complete final action on these rules by the end of this calendar year. The Department expects to issue in the next few weeks a notice of proposed rulemaking to amend part 835.

**Contract Reform**

In February 1994, the Department issued its report on contract reform, *Making Contracting Work Better and Cost Less*, which recommended a number of changes principally in areas affecting the Department's management and operating contractors. The Department has taken three steps to implement the proposed reforms:

- In a final rule published on September 26, 1995, the Department relieved its contractors from the prescriptive tenets of Federal procurement practices (i.e., "Federal norm") and allowed them to employ more efficient commercial business practices.
- In an interim final rule published on June 24, 1996, the Department changed its long-standing policy regarding competition for its management and operating contracts. Under the previous policy, contracts were usually extended. This rulemaking establishes competition as the norm for these contracts by

affirming the Department's commitment to competition through a reliance on Governmentwide authorities, rather than unique Department of Energy authorities.

- On June 24, 1996, the Department also published a proposed rule to implement the Department's commitment to performance-based contracting. This results-oriented approach will replace the inefficient, process-driven command and control paradigm utilized in the past.

The Department's Contract Reform Initiative is already bearing fruit. On August 6, 1996, the Secretary announced the award of \$11 billion in performance-based contracts. These new contracts will save the Department and the American taxpayers \$500 million per year over the next 5 years and will speed waste cleanup at sites in the States of Washington and South Carolina.

#### Regulatory Reform

The Department is committed to making its regulations less burdensome, more cost-effective, and more responsive to the needs of our stakeholders. In July 1994, the Secretary of Energy approved sweeping changes to the Department's rulemaking process. Based on results of an employee quality team review, these changes were designed to streamline the Department's rulemaking process, to improve the quality of the Department's rules, and to enhance the public's participation. Improvements have continued, as reflected in the energy efficiency program rulemaking noted above.

The President's Regulatory Reform Initiative announced in February 1995 directed Federal agencies to review their regulations and determine which could be eliminated or modified. Agencies were asked to conduct a "page-by-page" review of existing regulations and to establish plans for eliminating or reinventing existing regulations. The Department integrated the President's directive with an ongoing internal initiative to target existing regulations for modification or elimination. These targets were established through public comments on two notices in the Federal Register.

In the Department's June 1995 report to the President and reiterated in its 1995 regulatory plan, the Department set the following goals: 726 pages of regulations, or 33 percent of all departmental regulations, were targeted for elimination; and 1206 pages, or 55 percent of all departmental regulations, were targeted for reinvention. The

Department is pleased to report that each of these targets has been met. To date, the Department has taken proposed or final action to eliminate 729 pages, or 100 percent of its goal, and to reinvent 1220 pages, or 101 percent of its goal.

The result of the President's leadership, the Department's commitment, and the public's involvement has been a clear improvement in the Department's regulatory program. The Department views these improvements as a significant milestone in a continuing process to improve the design and operation of its regulatory programs through, among other things, periodic reviews of its existing regulations. The Department continues to pursue its goal of more effective, less burdensome, and more cost-effective regulations. Examples of recent improvements include the following:

- *State Energy Program.* On July 8, 1996, the Department published an interim final rule to consolidate the State Energy Conservation Program and the Institutional Conservation Program. These programs provided grants to the States and institutions, such as schools and hospitals, for a variety of energy conservation measures. Under the consolidated program, the Department will no longer make grants directly to individual institutions but will provide block-like grants to the States for their administration. The rule also removes the prescriptive energy audit procedures that conflict with the President's regulatory reform program. The States will benefit both from having greater control and increased flexibility in the use of the grant monies. This action was taken in direct response to public recommendations on possible improvements in the Department's regulatory programs.
- *National Environmental Policy Act Implementing Regulation.* On July 8, 1996, the Department published a final rule amending its regulation governing compliance with the National Environmental Policy Act (NEPA). By streamlining the process, the amendments will reduce the Department's costs and document preparation time without sacrificing quality. This step is part of an overall plan to save \$26 million in the Department's NEPA compliance process over 5 years. This action was taken in direct response to public recommendations on possible improvements in the Department's regulatory programs.

- *Procurement Regulations.*

Approximately 3 years ago, the Department began an aggressive effort to review and streamline its acquisition process with the objective of cutting the Department of Energy Acquisition Regulations in half. With the last of three procurement rulemakings published on August 9, 1996, the Department achieved its goal. Over 170 pages of regulations containing excessive and obsolete prescriptive requirements for awarding and administering contracts have been eliminated. As a result, the Department's ability to obtain high quality goods and services on time and at reasonable prices has been enhanced.

- *Financial Assistance Regulation.* On February 26, 1996, the Department published a final rule that reduced the number of steps required for award and administration for many financial assistance actions and the length of time typically required for an applicant to receive an award, to extend an existing award, or to complete all paperwork on expired awards. This was accomplished by raising internal thresholds for approvals, eliminating delays in making awards, and reducing reporting and closeout procedures. This new regulation will apply to approximately \$1.7 billion in grants and cooperative agreements that the Department makes each year.
- *Departmental Directive Reduction Initiative.* DOE directives provide formal communication of the expectations for performance of work within the Department by Federal employees and contractors. By 1991, the system included 312 overly-prescriptive, duplicative, and, often times, burdensome directives and a development and approval process that sometimes took over 3 years to issue a document. These directives and the lengthy development process were barriers to efficient work performance in the Department. To address the problem, the Department redesigned its directive system based on customer input and began implementation in December 1993. The Department also began several reduction efforts. As a result, the number of directives were halved from 312 to 156 by September 1995, representing a 67 percent reduction in the number of pages (from 7,200 to 2,400). Furthermore, the Department expects to have completed an additional 10 percent reduction by September 30, 1996, bringing the total number of directives down to 140.

The final result of this initiative will be a streamlined and more flexible system of internal management that will result in significant dollar savings; indeed, the estimated annual savings from revisions to the Department's asset management program alone is \$48 million.

- **Information Collection Burden Reduction.** As of September 1995, the estimated burden imposed by the Department's information collections totaled approximately 5.6 million hours. About 85 percent of the total represented information collections related to procurement activities and the management of the Department's contractor-operated facilities. The remaining 15 percent was associated with various statistical and energy data collections. Through the elimination and streamlining of regulations and internal directives, the Department has reduced the estimated burden of its information collections by approximately 610,000 hours or nearly 11 percent. This is an area that will be emphasized in future reform initiatives to reduce burden and cost to American taxpayers.

Lamp Ballasts, Water Heaters, Kitchen Ranges, Ovens, and Microwaves.

Final, Statutory, November 17, 1994, for Refrigerators, Refrigerator-Freezers, and Freezers.

Other, Statutory, April 25, 1995, Determination for Electric Distribution Transformers.

Final, Statutory, May 14, 1996, for Clothes Washers.

#### **Abstract:**

This is the initial review of the statutory standards for fluorescent lamp ballasts, room air conditioners, and kitchen ranges, ovens and microwave ovens to determine whether standards need to be amended. This is the second reanalysis of the standard levels for refrigerators, refrigerator-freezers and freezers, and clothes washers. A determination will be made to decide whether a standards rulemaking should be pursued for electric distribution transformers. These actions are covered by RINs 1904-AA38, 1904-AA47, 1904-AA67, 1904-AA75, 1904-AA75, 1904-AA76, 1904-AA84, and 1904-AA85.

#### **Statement of Need:**

These rulemakings are required by statute. Experience has shown that the choice of residential appliances and commercial equipment being purchased by both builders and building owners is based on the initial cost rather than on life-cycle costs. Thus, the law requires minimum efficiency standards for appliances and equipment to eliminate inefficient products from the market.

#### **Summary of the Legal Basis:**

The Energy Policy and Conservation Act (EPCA), as amended, establishes initial energy-efficiency standard levels for most types of major residential appliances and certain types of commercial equipment and generally requires DOE to undergo rulemakings, at specified times, to determine whether the standard for a covered product should be made more stringent.

#### **Alternatives:**

The statute requires the Department to conduct rulemakings to review standards and to revise standards to achieve the maximum improvement in energy efficient that the Secretary determines is technologically feasible and economically justified. In making this determination, the Department conducts a thorough analysis of alternative standard levels, including the existing standard, based on criteria specified by statute. The process

improvements that were recently announced (61 FR 36974, July 15, 1996) will further enhance the appliance standards development process. For instance, under this process, the Department will use stakeholders and private sector technical experts to review its analyses of the likely impacts, costs and benefits of alternative standard levels.

Before implementing efficiency standards, the Department will solicit and consider information on non-regulatory approaches for encouraging the purchase of energy efficient products. For example, the Department is now considering possible non-regulatory approaches to more stringent energy efficiency standards for fluorescent lamp ballasts. The Department also plans to consider the effectiveness of efforts to promote high-efficiency furnaces and boilers for regional and new construction applications prior to updating standards for these products. In addition, the Department will be working actively with stakeholders to determine whether standards are warranted for distribution transformers.

#### **Anticipated Costs and Benefits:**

The specific costs and benefits for these rulemakings have not been established because the final standard levels have not been determined. Nevertheless, existing appliance standards are projected to save 23 quadrillion Btu's from 1993 to 2015, resulting in estimated consumer savings of \$1.7 billion per year in 2000 and estimated annual emissions reductions of 107 million tons of carbon dioxide and 280 thousand tons of nitrogen oxides that year. Under the existing standards, the discounted energy savings for consumers are 2.5 times greater than the up front price premium paid for the appliance.

#### **Risks:**

Without appliance standards, energy use will continue to increase, with resulting damage to the environment caused by atmospheric emissions. Enhancing appliance energy efficiency reduces atmospheric emissions such as CO<sub>2</sub> and NO<sub>x</sub>. Establishing standards that are too stringent could result in excessive increases in the cost of the product, possible reductions in product utility and may place an undue burden on manufacturers that could result in loss of jobs or other economic impacts.

## **DOE—Energy Efficiency and Renewable Energy (EE)**

### **FINAL RULE STAGE**

#### **21. ENERGY EFFICIENCY STANDARDS AND DETERMINATIONS FOR HIGH PRIORITY APPLIANCES AND EQUIPMENT**

##### **Priority:**

Economically Significant. Major under 5 USC 801.

##### **Unfunded Mandates:**

This action may affect the private sector under PL 104-4.

##### **Reinventing Government:**

This rulemaking is part of the Reinventing Government effort. It will revise text in the CFR to reduce burden or duplication, or streamline requirements.

##### **Legal Authority:**

42 USC 6295; 42 USC 6313

##### **CFR Citation:**

10 CFR 430.32

##### **Legal Deadline:**

Final, Statutory, January 1, 1992, for Room Air Conditioners, Fluorescent

**Timetable:**

- Clothes Washers (RIN:1904-AA67)**  
ANPRM 11/14/94 (60 FR 56423)  
Screening Workshop 11/00/96  
Supplemental ANPRM 04/00/97  
Impact Workshop 06/00/97  
NPRM 04/00/98  
Final Action 10/00/98
- Electric Distribution Transformers (RIN:1904-AA85)**  
Workshop 01/00/97  
Notice of Determination 05/00/97
- Fluorescent Lamp Ballasts (RIN:1904-AA75)**  
ANPRM 09/28/90 (55 FR 39624)  
NPRM 03/04/94 (59 FR 10464)  
Impact Workshop 12/00/96  
Revised NPRM 09/00/97  
Final Action 03/00/98
- Kitchen Ranges, Ovens and Microwaves (RIN:1904-AA84)**  
ANPRM 09/28/90 (55 FR 39624)  
NPRM 03/04/94 (59 FR 10464)  
Final Action 06/00/97
- Refrigerators, Refrigerator-Freezers and Freezers (RIN:1904-AA47)**  
ANPRM 09/08/93 (58 FR 47326)  
NPRM 07/20/95 (60 FR 37338)  
Final Action 11/00/96
- Room Air Conditioners (RIN:1904-AA38)**  
ANPRM 09/28/90 (55 FR 39624)  
NPRM 03/04/94 (59 FR 10464)  
Final Action 01/00/97
- Water Heaters (RIN:1904-AA76)**  
ANPRM 09/28/90 (55 FR 39624)  
NPRM 03/04/94 (59 FR 10464)  
Screening Workshop 05/00/97  
Notice of Availability 09/00/97  
Impact Workshop 11/00/97  
Reissue NPRM 06/00/98  
Final Action 12/00/98

**Small Entities Affected:**

None

**Government Levels Affected:**

State, Local

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**RIN:** 1904-AA38

**DOE—Departmental and Others (ENDEP)**

PROPOSED RULE STAGE

**22. OCCUPATIONAL RADIATION PROTECTION—AMENDMENT**

**Priority:**

Other Significant

**Legal Authority:**

42 USC 2201; 42 USC 7191

**CFR Citation:**

10 CFR 835

**Legal Deadline:**

None

**Abstract:**

10 CFR part 835 establishes the basic requirements for DOE contractor and subcontractor activities to ensure radiation protection of occupational workers at DOE facilities. See 58 FR 65458 (December 14, 1993). The proposed amendment to Part 835 would include several items not previously covered such as sealed radioactive source accountability and control, and surface contamination values for tritium. Sealed source accountability and control requirements currently appear in DOE Notice 5400.9, and tritium surface radioactivity values in the Radiation Control (RADCON) Manual. This rulemaking stems from DOE's ongoing effort to strengthen the protection of health and safety from the nuclear and radiological hazards posed by these DOE facilities.

We are reviewing this action in the context of DOE's recently announced accelerated DOE Order Reduction Initiative. This is to ensure both consistency of approach and consultation with DOE stakeholders.

**Statement of Need:**

The purpose of this rule is to ensure that the Department's obligation to protect health and safety is fulfilled and to provide, if needed, a basis for the assessment of civil and criminal penalties consistent with the Price-Anderson Amendments Act of 1988.

**Summary of the Legal Basis:**

Under the Atomic Energy Act of 1954, as amended, the Department has the authority to regulate activities at facilities under its jurisdiction. The Department is committed to honoring its obligation to ensure the health and safety of the public and workers affected by its operations and the protection of the environs around its facilities.

**Alternatives:**

The Department could continue to impose protection standards through directives made applicable to its contractors through the terms of their contracts.

**Anticipated Costs and Benefits:**

The incremental costs of the proposed rules should be minimal because contractors are currently bound by comparable contractual obligations. Full compliance by contractors with nuclear safety standards will result in substantial societal benefits.

**Risks:**

This rulemaking should reduce the risk of nuclear safety problems by clarifying safety requirements applicable to DOE contractors and improving performance.

**Timetable:**

Action	Date	FR Cite
NPRM	10/00/96	
Final Action	04/00/97	

**Small Entities Affected:**

None

**Government Levels Affected:**

Federal

**Agency Contact:**

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**RIN:** 1901-AA59

**DOE—ENDEP**

FINAL RULE STAGE

**23. NUCLEAR SAFETY MANAGEMENT**

**Priority:**

Other Significant

**Reinventing Government:**

This rulemaking is part of the Reinventing Government effort. It will revise text in the CFR to reduce burden or duplication, or streamline requirements.

**Legal Authority:**

42 USC 2201; 42 USC 7191

**CFR Citation:**

10 CFR 830

**Legal Deadline:**

None

**Abstract:**

This action will add regulations under 10 CFR 830 to establish nuclear safety

management requirements for the Department's nuclear facilities. These requirements stem from the Department's obligations to assure adequate protection and to hold contractors who manage and operate these facilities accountable and responsible for safe operations. Under phase 1 of this action, major requirements will include conduct of operations, safety analysis reports, technical safety requirements training, maintenance, unreviewed safety questions and occurrence reporting. Under phase 2 of this action, major requirements will include nuclear design criteria, fire protection, natural phenomena hazards mitigation, and nuclear criticality safety. An initial phase adopted a quality assurance rule and definitions.

**Statement of Need:**

The purpose of this rule is to ensure that the Department's obligation to protect health and safety is fulfilled and to provide, if needed, a basis for the assessment of civil and criminal penalties consistent with the Price-Anderson Amendments Act of 1988. This action is consistent with the Department's commitment to the issuance of all new nuclear safety requirements to using notice and comment rulemaking.

**Summary of the Legal Basis:**

Under the Atomic Energy Act of 1954, as amended, the Department of Energy has the authority to regulate activities at facilities under its jurisdiction. The Department is committed to honoring its obligation to ensure the health and safety of the public and workers affected by its operations.

**Alternatives:**

The Department could continue to impose nuclear safety requirements through directives made applicable to DOE contractors through the terms of their contracts.

**Anticipated Costs and Benefits:**

The incremental costs of the proposed rules should be minimal because contractors are currently bound by comparable contractual obligations. Full compliance by contractors with nuclear safety standards will result in substantial societal benefits.

**Risks:**

This rulemaking should reduce the risk of nuclear safety problems by clarifying safety requirements applicable to DOE contractors and improving compliance.

**Timetable:**

**Initial Phase**

NPRM 12/09/91 (56 FR 64316)  
Final Action 04/05/94 (59 FR 15843)

**Phase 1**

NPRM 12/09/91 (56 FR 64316)  
Notice Reopening Comment Period  
08/31/95 (60 FR 45381)  
Final Action 12/00/96

**Phase 2**

NPRM 03/00/97  
Final Action 03/00/98

**Small Entities Affected:**

None

**Government Levels Affected:**

None

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**RIN:** 1901-AA34

**DOE—ENDEP**

**24. RADIATION PROTECTION OF THE PUBLIC AND THE ENVIRONMENT**

**Priority:**

Other Significant

**Legal Authority:**

42 USC 2201; 42 USC 7191

**CFR Citation:**

10 CFR 834

**Legal Deadline:**

None

**Abstract:**

This action would add a new 10 CFR 834 to DOE's regulations establishing a body of rules setting forth the basic requirements for ensuring radiation protection of the public and environment in connection with DOE nuclear activities. These requirements stem from the Department's ongoing effort to strengthen the protection of health, safety, and the environment from the nuclear, radiological, and chemical hazards posed by these DOE activities. Major elements of the proposal included a dose limitation system for protection of the public, requirements for liquid discharges; reporting and monitoring requirements; and residual radioactive material requirements.

**Statement of Need:**

The purpose of this rule is to ensure that the Department's obligation to

protect health and safety is fulfilled and to provide, if needed, a basis for the assessment of civil and criminal penalties consistent with the Price-Anderson Amendments Act of 1988. This action is consistent with the Department's commitment to the issuance of all new nuclear safety requirements using notice and comment rulemaking.

**Summary of the Legal Basis:**

Under the Atomic Energy Act of 1954, as amended, the Department of Energy has the authority to regulate activities at facilities under its jurisdiction. The Department is committed to honoring its obligation to ensure the health and safety of the public and workers affected by its operations and the protection of the environs around its facilities.

**Alternatives:**

The Department could continue to impose nuclear safety requirements through directives made applicable to DOE contractors through the terms of their contracts.

**Anticipated Costs and Benefits:**

The incremental costs of the proposed rules should be minimal because contractors are currently bound by comparable contractual obligations. Full compliance by contractors with nuclear safety standards will result in substantial societal benefits.

**Risks:**

This rulemaking should reduce the risk of nuclear safety problems by clarifying safety requirements applicable to DOE contractors and improving compliance.

**Timetable:**

Action	Date	FR Cite
NPRM	03/25/93	58 FR 16268
NPRM Comment Period End	06/22/93	
Final Action	10/00/96	

**Small Entities Affected:**

None

**Government Levels Affected:**

Federal

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**RIN:** 1901-AA38

**DOE—Office of Procurement and Assistance Management (PR)**

**FINAL RULE STAGE**

**25. CONTRACT REFORM**

**Priority:**

Other Significant

**Reinventing Government:**

This rulemaking is part of the Reinventing Government effort. It will revise text in the CFR to reduce burden or duplication, or streamline requirements.

**Legal Authority:**

42 USC 2201; 42 USC 7254

**CFR Citation:**

48 CFR 970

**Legal Deadline:**

None

**Abstract:**

This action would amend the Department of Energy Acquisition Regulation to implement certain key recommendations of the Department's

contract reform initiative. Changes are made to the following areas: fines, penalties, third-party liability and property liability; requirements for contractor make-or-buy plans; payment of fee; laws, regulations, and Department directives; environment; ownership of records; and contractor overtime. A related action, RIN 1991-AB09 on Competition for Management and Operating Contracts, completes the Department's contract reform changes.

**Statement of Need:**

The purpose of this rule is to place into regulation those new policies, and changes to existing policies, to strengthen the management of the Department's management and operating contracts.

**Summary of the Legal Basis:**

Under section 161 of the Atomic Energy Act of 1954 (42 U.S.C. 2201) and section 644 of the Department of Energy Organization Act, Public Law 95-91 (42 U.S.C. 7254), the Department of Energy has the authority to enter into and perform contracts necessary to carry out functions vested in the Department and to prescribe such rules and regulations necessary to manage these contract activities.

**Alternatives:**

The Department could rely on the Federal Acquisition Regulation to describe regulatory requirements for contracts without addressing the unique historical relationship that the Department has with its contractors.

**Anticipated Costs and Benefits:**

This action should save the Government costs, make contractors more accountable for their performance,

and improve the quality of work performed through performance, and improve the quality of work performed through the Department's management and operating contracts.

**Risks:**

This rulemaking should reduce the risk that the Government does not receive reasonable value for work performed through management and operating contracts.

**Timetable:**

Action	Date	FR Cite
NPRM	06/24/96	61 FR 32588
NPRM Comment Period End	08/23/96	
Final Action	02/00/97	

**Small Entities Affected:**

Undetermined

**Government Levels Affected:**

Undetermined

**Procurement:**

This is a procurement-related action for which there is no statutory requirement. There is no paperwork burden associated with this action.

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**RIN:** 1991-AB28

**BILLING CODE** 6450-01-F