

U.S. Department of Energy

Oak Ridge Office

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| ORO O 420 Chapter XI Change 2 |
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DATE: 04/13/2007

SUBJECT: AUTHORIZATION AGREEMENTS

1. PURPOSE. This Chapter assigns responsibility and accountability and provides administrative and contractual guidance to the Oak Ridge Office (ORO) and its contractors on the development, approval, and maintenance of authorization agreements (AAs). This document does not change any requirements contained in any Department of Energy (DOE) Directive; therefore, if any conflicts arise between this ORO Directive and a DOE Directive, the requirements contained in the DOE Directive shall take precedence.
2. CANCELLATION. This Chapter cancels and replaces ORO O 420, Chapter XI, Change 1, AUTHORIZATION AGREEMENTS, dated January 18, 2005.
3. APPLICABILITY. The provisions of this Chapter apply to ORO Management and Principal Staff and ORO contractors involved in the preparation, approval, and maintenance of DOE-approved AAs.
4. RESPONSIBILITIES.
 - a. Manager, ORO.
 - (1) Establishes the expectations/requirements for the content of the AAs.
 - (2) Ensures that AAs are developed for facilities where they are required.
 - (3) Concurs with and forwards AAs to the appropriate Cognizant Secretarial Officer(s) (CSO) at DOE Headquarters (HQ) for approval, if approval authority has not been delegated to the ORO Manager for non-Category 1 facilities.

NOTE: The CSO cannot delegate approval authority for Category 1 nuclear facility AAs.
 - (4) Approves (signs) AAs and revisions, if approval authority has been delegated in writing by the appropriate CSO(s).
 - (5) Delegates approval authority to a subordinate level, as appropriate. However, any further delegations to Assistant Managers shall be in accordance with direction provided by the CSO(s) and/or DOE Directives.

- (6) Returns AAs that need further clarification to the originator with an explanation of the barriers to approval/concurrence. Notification to the originator that the AA will not be approved/concurred, including explanations, should be made as soon as possible.

b. Assistant Managers (AMs) and Contracting Officer's Representatives (CORs).

- (1) Concurs with and forwards AAs to the Manager, ORO, for approval/concurrence if approval authority has not been delegated to the AM/COR.
- (2) Approves (signs) AAs and any revisions, if approval authority has been delegated in writing by the appropriate CSO or the Manager, ORO.
- (3) Returns AAs that need further clarification to the originator with an explanation of the barriers to approval/concurrence. Notification to the originator that the AA will not be approved/concurred, including explanations, should be made as soon as possible.
- (4) Directs the contractor as to which facilities/operations/activities require AAs.
- (5) Develops implementing command media for AA development, review, approval, maintenance, and utilization.
- (6) Forwards the approved AA to the contractor via a letter signed by the COR, with distribution to the Contracting Officer, and the Directives Management Group (DMG).
- (7) Provides oversight to assure that the contractor operates the facility/activity in accordance with the approved AA.
- (8) Ensures that change control of the AA is performed and the document remains current.
- (9) Determines if a letter to the contractor to stop/suspend work at a facility should include a statement that the AA (or the specified portion thereof) is also suspended. If the AA is suspended by the stop/suspend work, the letter to the contractor restarting operations must state that the AA (or the relevant portion thereof) is reinstated.

c. Team Leader, Directives Management Group.

- (1) Maintains copies of all approved AAs for ORO contractors, as provided by Line Management/COR(s).

5. REQUIREMENTS AND PROCEDURES.

a. General.

- (1) AAs must be prepared, reviewed, approved, maintained, and utilized for high-hazard facilities (Hazard Category 1 and 2 nuclear facilities). If Line Management determines that there is a need, AAs may also be prepared for other facilities based on the complexity of operations/activities and the associated hazards.

- (2) Assistant Managers shall develop command media for developing, reviewing, approving, maintaining, and utilizing AAs. The command media should include direction on coordination of AAs during their development to ensure an acceptable product.
- (3) The AA must provide the following:
 - The facility, task, or activity (scope of work) that it authorizes;
 - A listing of the documents that constitutes the authorization basis applicable to the facility/task/activity, and the controls to govern the work;
 - The results of DOE's review of the authorization basis documents;
 - Any additional terms and conditions (controls and commitments) within which the contractor is authorized to perform work;
 - The basis for DOE's determination to authorize the work and the basis for DOE's conclusion that the work defined in the agreement can be performed without undue risk to the workers, the public, and the environment;
 - The contractor's commitment to DOE that the authorized work will be performed safely;
 - A statement of the contractor's qualifications;
 - Any other special conditions that DOE wants to make contractually binding;
 - The effective date and expiration date, if applicable;
 - The signatures of the agreeing parties (DOE and contractor managers); and
 - Any exception or unusual circumstances that should be noted.

NOTE: DOE G 450.4-1B (Reference 6b) Volume 1, INTEGRATED SAFETY MANAGEMENT SYSTEMS GUIDE, Chapter II, Section 5.2, "*SAMPLE FORMAT AND CONTENT FOR AUTHORIZATION AGREEMENTS*," provides a sample format for AAs.

- (4) DOE and the contractor sign and date the AA. The person signing for the contractor must be an authorized official. The authorized contractor official signs the AA and submits it to be approved/concurred and dated by the DOE approval authorities.
 - (5) When necessary, the contractor may perform work outside the scope of the AA for imminent danger and environmental emergencies that require immediate action to protect the health and safety of the public or workers and/or to prevent harm to the environment.
- b. Change Control.
- (1) General. Revisions to AAs are submitted and approved in the same manner as the original AA (i.e., contractor submission, DOE approval, etc.).
 - (2) Changes. Changes to items listed in an AA must be made following the established change control process for that particular item (e.g., the Documented Safety Analysis, Technical Safety Requirements, environmental permit, Standards/Requirements Identification Documents, Work Smart Standards Set, etc.). The AA should be carefully written to avoid the need for revision whenever a key reference (including authorization basis documents) is updated.

- (3) Scope of Work. Changes to the scope of work may require a change to the AA. The decision regarding the need to change the AA is made by the appropriate ORO Line Manager or designee and negotiated with the contractor.
- (4) Annual Update. AAs are reviewed and, if necessary, updated annually from the date of approval using the established change control process. If no changes are required, a letter to the COR to that effect satisfies the annual update requirement.
- (5) New Prime Contractor. If an AA exists for the scope of work when a new prime contractor takes over, the new contractor's AA must be approved and implemented within the contractually-specified transition period.

6. REFERENCES.

- a. DOE M 411.1-1C, SAFETY MANAGEMENT FUNCTIONS, RESPONSIBILITIES, AND AUTHORITIES (FRAM) MANUAL, dated December 31, 2003.
- b. DOE G 450.4-1B, INTEGRATED SAFETY MANAGEMENT SYSTEMS GUIDE, Volumes I and II, FOR USE WITH SAFETY MANAGEMENT SYSTEM POLICIES (DOE P 450.4; DOE P 450.5; AND DOE P 450.6); THE FUNCTIONS, RESPONSIBILITIES, AND AUTHORITIES MANUAL; AND THE DOE ACQUISITION REGULATION, dated March 1, 2001.
- c. DOE-STD-1027-92, Change Notice No. 1, HAZARD CATEGORIZATION AND ACCIDENT ANALYSIS TECHNIQUES FOR COMPLIANCE WITH DOE ORDER 5480.23, NUCLEAR SAFETY ANALYSIS REPORTS, dated September 1997.
- d. ORO M 411.1-1H, MANUAL OF SAFETY MANAGEMENT FUNCTIONS, RESPONSIBILITIES, AND AUTHORITIES, LEVEL III, FOR OAK RIDGE OFFICE, dated June 21, 2006, and any subsequent revisions.

7. DEFINITIONS.

- a. **AUTHORIZATION AGREEMENT.** A documented agreement between DOE and the contractor for high-hazard facilities (Categories 1 and 2), incorporating the results of DOE's review of the contractor's proposed authorization basis for a defined scope of work. The AA contains key terms and conditions (controls and commitments) under which the contractor is authorized to perform work. Any changes to these terms and conditions would require DOE approval.
- b. **AUTHORIZATION BASIS.** Safety documentation supporting the decision to allow a process or facility to operate. Included are corporate operational and environmental requirements as found in regulations and specific permits, and, for specific activities, work packages or job safety analyses. For nuclear facilities, the basis includes hazard classification documents, Documented Safety Analyses, Technical Safety Requirements, DOE-issued safety evaluation reports, and facility-specific commitments made to comply with DOE nuclear safety requirements.

c. **HAZARD CLASSIFICATION.** Evaluation of the consequences of unmitigated releases, performed to classify facilities or operations into the following hazard categories:

- (1) Category 1 -- The hazard analysis shows the potential for significant offsite consequences.
- (2) Category 2 -- The hazard analysis shows the potential for significant onsite consequences.

NOTE: DOE-STD-1027-92, Change Notice 1, (Reference 6c) provides guidance and radiological threshold values for determining the nuclear hazard category of a facility. DOE-STD-1027-92, Change Notice 1, interprets Hazard Category 1 facilities as Category A reactors and other facilities designated as such by the Program Secretarial Officer.

8. CONTRACTOR REQUIREMENTS DOCUMENT. See Contractor Requirements Document, Attachment 1 to this Chapter.

9. ATTACHMENT.

- a. Attachment 1 - Contractor Requirements Document.

CONTRACTOR REQUIREMENTS DOCUMENT

Contractors with facilities and/or activities requiring authorization agreements (AAs) must comply with the following:

1. Prepare and submit AAs to the Oak Ridge Office (ORO) as required by the contract or in response to ORO Line Management's written expectations/requirements. The contractor may include additional items in the agreement that it deems appropriate.
2. Appoint an authorized contractor official as the contractor's approval authority for AAs.
3. Ensure the authorized contractor official signs the original AA and any subsequent revisions prior to submitting it to DOE ORO.
4. Submit a revised AA within 45 calendar days if the DOE approval authority has returned the AA unsigned with an explanation of the barriers to approval.
5. Assure that DOE-approved AAs are managed as record documents, filed with the authorization basis documents, and disseminated to appropriate personnel (e.g., Facility Managers, Program Managers, etc.).
6. Ensure that change control of the AA is performed and the document remains current.
7. Review and, if necessary, submit proposed revisions to AAs on an annual basis from the date of DOE approval. If no changes are required, a letter to the Contracting Officer's Representative (COR) to that effect satisfies the annual update requirement. However, the contractor may propose (or DOE may direct) a revision to an AA at any time due to emerging conditions such as stop work, changes in the scope of work, etc.
8. Comply with approved AAs, including the authorization basis and terms and conditions.
9. When necessary, the contractor may perform work outside the scope of the AA for imminent danger and environmental emergencies that require immediate action to protect the health and safety of the public, workers, and/or to prevent harm to the environment.