

**The Secretary of Energy**

Washington, DC 20585

September 3, 1997

The Honorable John T. Conway
Chairman
Defense Nuclear Facilities Safety Board
625 Indiana Avenue, NW., Suite 700
Washington, DC 20004

Dear Mr. Chairman:

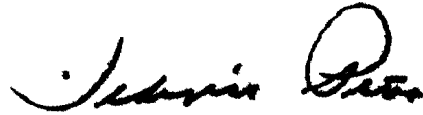
As I informed you in my letter of April 25, 1997, I am committed to providing the leadership necessary to make excellence in nuclear safety management a reality at the Department of Energy. In that regard, the President's fiscal year 1998 budget request in support of the Department's full-time management employees was adequate to continue the ongoing efforts to upgrade and maintain the technical capability of our workforce and to continue to implement our integrated safety management system throughout the complex. In particular, the President's fiscal year 1998 budget was adequate to support Department implementation activities in response to Board Recommendation 93-3, *Improving Technical Capability in Defense Nuclear Facilities Programs*, Board Recommendation 95-2, *Safety Management*, as well as to continue ongoing implementation of Department actions taken in response to four other Board recommendations addressing technical capabilities.

I am now concerned that much of the progress we have made during the last few years in improving the technical capabilities of the Department's Federal workforce will be undone by the significant workforce reduction we are planning in response to funding levels currently proposed by Congress, specifically the worst-case funding level contained in the House of Representatives version. Due to existing Government regulations, over which the Department has no control, a number of technically qualified, relatively new employees hired in response to your Board's recommendations will need to be terminated.

As our clean-up proceeds, it is increasingly apparent that highly-qualified technical personnel are essential to our progress in conducting nuclear material stabilization. It is equally important to this Nation that our nuclear stockpiles be maintained and that the actions necessary are performed safely and directed with qualified

technical personnel. The Department will keep the Defense Nuclear Facilities Safety Board informed of the impacts of receiving funding levels that are inconsistent with the President's fiscal year 1998 budget request.

Sincerely,

A handwritten signature in black ink, appearing to read "Federico Peña". The signature is fluid and cursive, with a large initial "F" and a long, sweeping underline.

Federico Peña