



The Secretary of Energy

Washington, DC 20585

March 21, 2025

MEMORANDUM FOR HEADS OF DEPARTMENTAL ELEMENTS AND NATIONAL LABORATORY DIRECTORS

FROM:

CHRIS WRIGHT
SECRETARY OF ENERGY

Chris Wright

SUBJECT:

Strengthening National Laboratory Efficiency and Mission Execution

The Department of Energy's National Laboratory system serves as the backbone of the Nation's scientific enterprise. Founded as part of a strategic national investment in science during and following World War II, the National Laboratories form the most comprehensive research network of its kind. While most of the National Laboratories' work is driven by the Department's primary missions in energy innovation, science discovery, nuclear security, and environmental cleanup, they are a national resource and serve the national interest by addressing challenges extending beyond energy and catalyzing research that spans across sectors.

As Federally Funded Research and Development Centers (FFRDC) managed through Management and Operating (M&O) contracts, it is imperative that we continually evaluate existing requirements and processes to ensure that the National Laboratories have the necessary authority and flexibility to successfully execute critical missions on behalf of the Department of Energy and the Nation. To that end, I am directing the following actions to be implemented immediately:

- Revise delegated project authority within DOE Order 413.3B from \$50 million to \$300 million specific to the National Laboratories managed under M&O contracts. Tailor DOE Order 413.3B to only require DOE independent project reviews at specific critical decision points on projects between \$300 million - \$1 billion, subject to sustained successful project execution. Capital asset projects with a total project cost of more than \$1 billion shall continue to follow the full scope of requirements established in DOE Order 413.3B.
- Expand the use of the National Nuclear Security Administration's successful "OSHA-Plus" framework for subcontracted construction projects at the National Laboratories. The framework uses a tailored, graded approach to meet Title 10 Code of Federal Regulations (CFR) Part 851, *Worker Safety and Health Program*, which increases competition and reduces costs while maintaining a safe work environment.

- Assess the benefits and risks of removing construction labor agreement provisions from National Laboratory contracts. Risks to be evaluated include increased potential for labor strikes and local community concerns.
- Revise National Laboratory contract clauses on Employee Compensation: Pay and Benefits to eliminate requirements that are not mandated by statute/regulation or are not necessary to monitor DOE's financial liabilities related to defined benefit plans. The National Laboratories must continue to comply with FAR 31.205-6, DEAR 970.5216-7, and DEAR 970.3102-05-6, and will be accountable for pay and benefits decisions subject to annual audits.

In addition to the above actions for immediate implementation, the Laboratory Operations Board Director shall establish a working group to identify opportunities to streamline and, as necessary, develop new procedures and timelines to ensure greater efficiency and accountability for Strategic Partnership Projects (SPP) and Cooperative Research and Development Agreements (CRADA). Proposed improvements or streamlining initiatives shall be provided to the Office of the Secretary within 30 days.

These measures are representative of focused and purposeful actions to prudently streamline our processes, place decision-making authority at the appropriate level, and reduce unnecessary administrative burden on both the laboratories and federal stewards to more efficiently and effectively enable critical mission objectives. It is critical that we implement new delegations and flexibilities as intended, working collaboratively to ensure streamlining efforts have the intended outcome. The Laboratory Operations Board will be responsible for coordinating the necessary actions outlined in this memorandum and tracking implementation.