

From: Secretary Moniz
Sent: Thursday, July 18, 2013 4:38 PM
Subject: Departmental Reorganization

Dear Colleagues,

Earlier today, we shared with you the plans for a reorganization of the Department's management structure that is designed to achieve several of our key priorities and those of the President. Successful implementation of the President's Climate Action Plan, "all of the above" energy strategy and nuclear security agenda require the appropriate alignment of management functions and strengthened management throughout the agency.

We wanted to take this opportunity to share some additional details of the reorganization, which consolidates the mission support functions of the Department in order to improve the effectiveness and efficiency of Departmental operations. The reorganization also brings together the management of our science and energy programs, which will improve the integration of these two key areas of the Department's mission. Finally, we are also establishing a system of Departmental Councils to improve coordination of issues that cut across Departmental organizational lines.

The reorganization will affect the organization of the Department at the Under Secretary level. First, we have established an Office of the Under Secretary for Management and Performance to manage:

- Office of Management and Administration (MA)
- Office of Chief Human Capital Officer (HC)
- Office of Chief Information Officer (CIO)
- Office of Economic Impact and Diversity (ED)
- Office of Hearings and Appeals (OHA)
- **Office of Environmental Management (EM)**
- **Office of Legacy Management (LM)**

In addition to bringing together the Department's primary support organizations, it will also include the Office of Environmental Management and Office of Legacy Management. This is consistent with our objective of improving project management and performance in these two key areas and across the Department. There is also a new organizational unit, the National Laboratory Operations Board that will report to the Office of the Under Secretary for

Management and Performance, and will enable us to tackle the administrative issues affecting the laboratory system using an enterprise-wide approach. Worker health, safety, and security continue to be critically important priorities, and we are in the process of reviewing how to strengthen our capacity to meet these challenges within this new structure.

Second, the current position of Under Secretary for Science is expanded to encompass both science and energy. The resulting Office of the Under Secretary for Science and Energy will manage:

- Office of Science (SC)
- Office of Fossil Energy (FE)
- Office of Energy Efficiency and Renewable Energy (EERE)
- Office of Nuclear Energy (NE)
- Office of Electricity Delivery and Energy Reliability (OE)
- Office of Indian Energy (IE)
- Office of Technology Transfer Coordinator

We must have the ability to closely integrate and move quickly among basic science, applied research, technology demonstration, and deployment. The innovation chain is not linear, but rather one that requires feedback among its various elements. This is particularly the case with regard to clean energy as we work to implement the President's Climate Action Plan. This Office of the Under Secretary for Science and Energy will provide us the framework to make further improvements in this regard. In addition, the majority of our national labs will reside within this organizational unit.

The Under Secretary for Nuclear Security continues to be a dual-hatted position as Administrator of the National Nuclear Security Administration.

Finally, in order to better address important policy issues that affect a number of programs across the Department, we are establishing the following Secretarial Councils:

- An Energy Council
- A National Laboratory Policy Council
- A revised Credit Review Board
- A Cyber Security Council

We also are reactivating and restructuring the Secretary of Energy Advisory Board (SEAB), with the restructured SEAB having four standing sub-committees to address each of the major Departmental mission areas.

Finding additional ways to improve the management and performance of Departmental programs is a continuing challenge that will remain a high priority. Last week, for example, the President asked all of his Cabinet Officers to develop an agenda of further management initiatives to guide the Administration over the next four years. We have several additional study efforts underway, and we hope to be able to move forward with additional initiatives in the near future. One area is a review of our energy policy and analysis capabilities, where some consolidation would enable the Department to take a better systems approach to policy analysis. This will be very important for the Department in supporting the planned Quadrennial Energy Review called for by the President in his Climate Action Plan. Another area under review is our oversight of security, where we are looking at ways to enhance line management responsibilities and improve accountability for securing the complex. We plan to report further on these items soon, following appropriate consultations.

We would like to highlight a number of senior personnel who have joined the Department in the past few months. Many of you have already met my Chief of Staff Kevin Knobloch and our two deputy chiefs of staff, Erica De Vos and Jonathan Levy. Erica is also serving as Director of the Executive Secretariat. Additionally, Ed Bolton recently joined the Deputy Secretary's Office as Chief of Staff.

Among our new program leadership are Bruce Held, Acting Under Secretary for Nuclear Security and Administrator for the National Nuclear Security Administration; Peter Davidson, Executive Director of the Loan Programs Office; David Klaus, Deputy Under Secretary for Management and Performance; and Jonathan Pershing, Deputy Assistant Secretary for Climate Change Policy and Technology.

A number of senior advisors have also joined us in the Office of the Secretary: Melanie Kenderdine (leading efforts on energy policy and systems analysis), John MacWilliams (clean energy finance and other issues), Jeff Hughes (national security and intelligence), Elizabeth Connell (environmental management), Adam Cohn (cyber security), Alison Markovitz (departmental operations), Dmitri Kusnezov (NNSA issues), Skila Harris (PMA issues), and Mary Louise Wagner (nuclear energy policy). Please join us in welcoming our new senior personnel to the Department. We are also working assiduously to advance excellent candidates to fill vacancies that require Senate confirmation.

Obviously this will continue to be a work in progress, and we are grateful for everyone's patience and support as we implement the reorganization.

We recognize the last few months have been a challenging time as we have adjusted to new and familiar faces, coming and going. There have been a number of vacancies, and so far, we are extremely impressed with the way so many people—career and appointee alike—have

stepped up and delivered. We are deeply appreciative for the hard work you put in to contribute to the mission, and we continue to be honored to serve with you.

Sincerely,

Secretary Moniz and Deputy Secretary Poneman

P.S. In case you missed it, video of this morning's Town Hall is available on: energy.gov/staff-and-contractors