

**U.S. Department of Energy
Washington, D.C.**

NOTICE
DOE N 000.0

Approved:

Expires:

**SUBJECT: PROGRAM AND PROJECT MANAGEMENT FOR THE ACQUISITION
OF CAPITAL ASSETS**

1. OBJECTIVE. To define the requirements for reporting contractor project performance information to the Department's Project Assessment and Reporting System (PARS) II. Specifically the Notice expands upon the requirements set forth in the Contractor Requirements Document (CRD) in DOE Order O413.3A, Program and Project Management for the Acquisition of Capital Assets.

2. CANCELLATIONS. None.

3. APPLICABILITY.

a. Departmental Elements. This Notice applies to all Departmental Elements.

b. DOE Contractors. Except for the exclusion in paragraph 3c, this Notice applies to all contractors responsible for performing program and project management of Department-owned facilities and to other contractors as determined by the Federal Project Director and the Contracting Officer, in conjunction with the Federally-assigned Integrated Project Team members. Regardless of the performer of the work, the affected contractor is responsible for complying with the requirements of this Notice as included in the contract. The contractor is responsible for flowing down the requirements to subcontractors at any tier to the extent necessary to ensure contractor compliance. The contractor is responsible for consolidating the subcontractor data into a single contractor project performance reporting.

c. DOE Projects. This Notice applies to all projects with a Total Project Cost (TPC) greater than or equal to \$20M.

d. Exclusion.

- i. Naval Reactors, National Nuclear Security Administration. In accordance with the responsibilities and authorities assigned by Executive Order (E.O.) 12344 and to ensure consistency throughout the joint Navy and DOE organization of the Naval Nuclear Propulsion Program, the Director of the Naval Nuclear Propulsion Program will implement and oversee all requirements and practices pertaining to this DOE Order for activities under the Director's cognizance.
- ii. Bonneville Power Administration is excluded in accordance with Secretarial Delegation Order 00-033.00A, dated 09/27/2002.

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- iii. Financial Assistance awards (grants and cooperative agreements), which are covered under 10 CFR 600, are excluded

4. REQUIREMENTS.

a. General.

With the implementation of PARS II, the Department is implementing new reporting requirements for contractor project performance information. Currently contractors are required to report ANSI/EIA-748 compliant Earned Value Management (EVM data) at that project's Work Breakdown Structure (WBS) Level 1 after the project's Critical Decision (CD)-2 milestone is approved. The contractors now are required to report budgeted cost of work schedule (BCWS), budgeted cost of work performed (BCWP), and actual cost of work performed (ACWP) on a monthly basis inclusive of time-phased data, schedule data, variance analysis data, risk data, and management reserve data reflective of the latest approved Performance Measurement Baseline (PMB). All data are reported down to the level of the WBS and OBS required by the Department.

b. Required Project Performance Information.

Contractors are required to submit the following project performance information. Required data elements for each of the information types are specified in the PARS II Interconnection Security Agreement (ISA).

- iv. Earned Value Management (EVM) metrics as defined by the ANSI/EIA-748 Standard (latest version).
- v. EVM Time-Phased Incremental Cost and Quantity Data for the entire duration of the project by WBS and OBS. The Department may exempt reporting quantity data or reporting cost and quantity data by OBS at its discretion.
- vi. Variance analysis data by WBS and OBS. The Department may exempt reporting variance analysis data by OBS at its discretion.
- vii. Narrative variance analyses and corrective action plans that integrate cost, schedule and scope when variances exceed plus or minus 10% (e.g., < .9 or > 1.1).
- viii. Critical Path activity schedule and relationship data related to the WBS and OBS.
- ix. Management reserve transaction data by WBS and OBS. The Department may exempt reporting management reserve data by OBS at its discretion.
- x. Risk log data by WBS and OBS. The Department may exempt reporting risk data by OBS at its discretion.

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c. Required File Format.

- i. Upload files will be formatted using the standard templates and file formats specified in the PARS II Interconnection Security Agreement (ISA). (Current file formats are ANSI 748 EDI X12 and Microsoft Access with plans for UN/CCEFACT XML to be the future standard.)

d. Monthly Submission.

- i. Project performance information will be submitted by the contractor monthly by the date specified by The Department.
- ii. Project performance information will be uploaded by the contractor via the Department's PARS II.

e. Begin Date for Reporting.

- i. Contractors must begin Monthly reporting no later than CD-2. Reporting may be required earlier than CD-2 as specified by the Department.

5. RESPONSIBILITIES.

a. Heads of Departmental and Field Elements.

- (1) Oversee the implementation of this Notice for projects under their immediate cognizance, including assigning tasks and roles to the appropriate site personnel.
- (2) Ensure contracts affected by this Notice are modified, as appropriate, including ensuring the incorporation of the CRD into contracts in accordance with paragraph 3b of this Notice.

b. DOE Federal Project Directors.

- (1) Oversee the implementation of this Notice for projects under their immediate cognizance, including assigning tasks and roles to the appropriate site personnel.
- (2) Ensure for timely, reliable, and accurate integration of contractor performance reporting data into the project's scheduling, accounting, and performance measurement systems.

c. Contracting Officers.

- (1) Incorporate the requirements of this Notice into contracts in accordance with paragraph 3b of this Notice.

d. Contractor Project Manager.

- (1) Ensure that the required project performance data defined in this Notice are reported monthly by the required due date using the defined standard templates and data reporting formats.

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e. Contractor Project Control Analyst.

(1) Prepare, validate and submit the project upload file to DOE Headquarters each month, via the PARS II system

(2) Correct errors in the project upload file and resubmit to Headquarters when errors are detected by OECM and PO HQ personnel.

8. CONTACT. Questions concerning this Notice should be addressed to the Office of Engineering and Construction Management at 202-**nnn-nn**.