



Department of Energy
Washington, DC 20585

Jm cH2ON

Jm RECD - 6/16/10

OUT FOR DRB REVIEW - 6/18/10

DRB DISCUSSION - 7/15/10

MEMORANDUM FOR INGRID KOLB
DIRECTOR
OFFICE OF MANAGEMENT

THROUGH: KEVIN T. HAGERTY
DIRECTOR
OFFICE OF INFORMATION RESOURCES

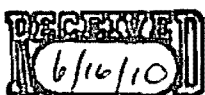
FROM: GLENN S. PODONSKY
CHIEF HEALTH, SAFETY AND SECURITY OFFICER
OFFICE OF HEALTH, SAFETY AND SECURITY

SUBJECT: Notice of Intent to Revise DOE Order 475.2, *Identifying Classified Information*, August 28, 2007

PURPOSE: This memorandum provides justification for a revision to Department of Energy (DOE) Order (O) 475.2, *Identifying Classified Information*. Major objectives of this revision: (1) satisfy the requirement from the President's memorandum dated December 29, 2009, tasking the Department to issue directives implementing the requirements in Executive Order (E.O.) 13526, "Classified National Security Information"; (2) reassign responsibilities to ensure DOE's compliance with National classification policies; (3) streamline the Department's classification program requirements in line with the ongoing security reform effort; and (4) provide line management the authority to identify effective and efficient implementation strategies.

JUSTIFICATION:

Background: DOE O 475.2 provides the requirements for identifying, marking, and declassifying classified information (i.e., Restricted Data, Formerly Restricted Data, and National Security Information) and documents containing such information for all DOE Federal and contractor employees. This Order ensures that information vital to the national security is appropriately identified for protection. The requirements contained within it support an effective classification program. This Order was first written in the early 1950s to establish the Department-wide program to identify classified information and to identify, mark, and protect documents containing such information.



Summary of Development Process: The revised, streamlined Order will be developed by a team of subject matter experts within the Office of Health, Safety and Security and will incorporate input from experts within the Department's classification community. The development team will review each existing classification program requirement in detail and will document changes to requirements and bases for such changes as well as retained requirements. WebEx working group meetings will involve field and contractor managers as participants. They will identify burdensome requirements that should be eliminated and best practices that should be retained to sustain those program elements vital to National security. The team will also analyze National policy requirements and trends to ensure that the Order reflects the current security environment. In addition, the proposed revision developed by the classification community will be reviewed by an independent executive steering committee consisting of both Headquarters and field participants to ensure that it meets the objectives of the security reform.

Applicability: This Order applies to all Departmental elements that have access to classified information, documents, or material. There have not been any substantial changes in applicability with this revision.

Major Changes: The following major changes have been achieved in this revision:

- This revised Order implements the requirements of E.O. 13526.
- This revised Order allows site office and contractor managers to appoint classification officials who had previously been appointed by Headquarters. This change eliminates unnecessary coordination and places appointment responsibilities at a more appropriate level.
- This revised Order streamlines the Department's classification program requirements to ensure that it is in line with the ongoing security reform effort. Requirements have been analyzed to determine the associated costs and benefits to the end-users. Those requirements that were overly burdensome or whose benefits were outweighed by their costs were eliminated.
- This revised Order reduces the prescriptive requirements on line management and contractor organizations that were contained in the previous Order and its accompanying Manual 475.1-1B, *Manual for Identifying Classified Information*. This revision states classification program requirements but leaves the details on how to meet the requirements up to the appropriate line management or contractor organizations. This change is required to align the classification program with the Secretary of Energy's management philosophy. This revision will consolidate relevant requirements from the accompanying Manual 475.1-1B, *Manual for Identifying*

Classified Information, into the revised Order and cancel the Manual upon issuance of the revised Order.

Recommended Development Schedule: The standard schedule for directive development is recommended.

External Deadline and Approval: In addition to the internal development schedule, the revision of this Order has an external deadline. Per the President's direction in the memorandum dated December 29, 2009, the deadline for this revision is 6 months from the issuance of the revised 32 Code of Federal Regulations (CFR) Part 2001, the implementing directive to E.O. 13526. Further, in accordance with E.O. 13526, this Order must be approved by the Director of the Information Security Oversight Office (ISOO).

Currently, 32 CFR part 2001 is estimated to be issued on June 27, 2010, which means that this Order revision must be finalized and submitted to the ISOO by December 27, 2010. The proposed internal development schedule we are recommending is consistent with the external deadline.

IMPACT: Revision of this Order is required by Presidential memorandum dated December 29, 2009, tasking the Department to issue directives implementing the requirements in E.O. 13526, "Classified National Security Information" and by 32 CFR part 2001, the implementing directive to E.O. 13526. In addition, this revised Order must be approved by the Director, ISOO, by December 27, 2010. If the Order is not revised by December 27, 2010, DOE will not be in compliance with the Presidential memorandum.

This revised Order impacts organizations within DOE that work with or have access to classified information. However, no increase in costs is expected based on this revision; rather, the reduction in prescriptive requirements will allow impacted organizations to determine how best to expend resources to meet the Order's requirements.

WRITER: Emily Puhl, HS-91, 3-9048

OPI CONTACT: Nicholas Prospero, HS-91, 3-9967

Concur:  Nonconcur: _____ Date: 7-19-10

7/15/10

DRB APPROVED.



Timeline: Schedule for Directives Development

	<u>Standard</u> (Days)
Draft Development (Writer)	60
Process/Post (MA-90)	5
Review and Comment (Interested Parties)	45 ✓
Comment Resolution (Writer)	30
Process/Post (MA-90)	5
Concurrence (Writer)	15
Preparation of Final Draft (Writer)	5

Per DRB mtg
 7/22 - DRB
 approved to shorten
 review + cmt period
 to 30 days.
 C/Be he