



441 G St. N.W.  
Washington, DC 20548

Comptroller General  
of the United States

April 11, 2025

**The Honorable Chris Wright**  
**Secretary of Energy**  
**U.S. Department of Energy**  
**1000 Independence Ave., SW**  
**Washington, DC 20585**

**Priority Open Recommendations: Department of Energy**

Dear Secretary Wright:

Congratulations on your recent appointment. The purpose of this letter is to call your personal attention to six areas affecting DOE's mission based on prior GAO work and the 30 open priority recommendations to the department, which are enclosed.<sup>1</sup> Additionally, there are 227 other open recommendations that we will continue to work with your staff to address.

We are highlighting the following areas that warrant timely and focused attention. Specifically:

**Improving contract, project, and program management.** DOE's [acquisition and program management](#) for the National Nuclear Security Administration (NNSA) and Office of Environmental Management (EM) is one of the areas on our [High-Risk List](#). Historically, DOE has struggled to manage programs and projects, including mitigating the risks of uncontrolled changes to scope, cost, and schedule and meeting program and project goals. We identified several priority recommendations to improve DOE's management of its contracts, major projects, and programs. For example, we recommended that EM hold contractors accountable for maintaining a compliant Earned Value Management System to better oversee contractor performance on capital projects and develop effective program-wide performance metrics on reducing risks and costs of hazardous and radioactive waste cleanup. We also recommended that DOE document oversight processes for large nuclear energy demonstration projects to strengthen oversight and improve project performance. Further, we recommended that DOE consistently compare the inventories of software licenses that are currently in use with information on purchased licenses.

**Addressing nuclear modernization challenges.** NNSA is undergoing an ambitious, decades-long, and costly effort to modernize the nation's nuclear security enterprise and the weapons in the U.S. stockpile. We identified several priority recommendations in this area to improve NNSA's ability to manage its enterprise and production modernization efforts. To provide NNSA with a more structured and defensible approach to managing the billions of dollars of work in its Weapons Activities portfolio, we recommended NNSA establish an enterprise-wide portfolio management framework for its weapons stockpile and infrastructure maintenance and

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<sup>1</sup>GAO considers a recommendation to be a priority if when implemented, it may significantly improve government operations, for example, by realizing large dollar savings; eliminating mismanagement, fraud, and abuse; or making progress toward addressing a high-risk or duplication issue.

modernization efforts. In addition, to strengthen management of NNSA's complex and expensive pit production modernization effort, we recommended that NNSA ensure that the integrated master schedule in development meets NNSA standards, consistent with GAO best practices for schedule development.

**Addressing DOE's environmental and disposal liability.** The federal government's [environmental liability](#)—an area on our [High-Risk List](#)—has been growing for the past 20 years and is likely to continue to increase. DOE is responsible for \$544.5 of the federal government's total \$666 billion reported liability for fiscal year 2024.<sup>2</sup> We have identified several priority recommendations in this area. All are intended to achieve desired results and reduce costs, better manage cleanup and disposal activities, and build and maintain trust with stakeholders and state and local governments. For example, we recommended that work be paused on the high-level waste facility at Hanford until an independent analysis is conducted to assure DOE has considered all viable alternatives for treating Hanford's tank waste and selected an optimal approach, potentially saving billions of taxpayer dollars. In addition, we recommended that EM develop and use a national framework outlining EM's strategy for engagement with stakeholders and governments and that EM enlist an independent mediator to help reach agreement with the state of Washington's Department of Ecology on a process for assessing contaminated soil at the Hanford site.

**Addressing strategic human capital management.** Mission-critical skills gaps impede the government from cost effectively serving the public and achieving desired results. In the area of [strategic human capital management](#)—an area on our [High-Risk List](#)—we noted that EM is understaffed in high-risk, mission-critical occupations, such as nuclear safety specialists. It has also experienced difficulties with hiring and retaining staff at certain sites. Staffing shortages have caused project failures, schedule delays, cost overruns, and workplace accidents. In addition, EM does not have a forward-looking workforce plan to prepare for and manage current and future workforce needs. We have identified two priority recommendations in this area. We recommended that EM revise its workforce planning to align with leading practices to address EM's long-standing recruitment and hiring challenges. In addition, we recommended NNSA assess the results of its recruitment and retention actions using outcome-based performance measures, which would allow NNSA to better understand if its current actions are achieving the desired results.

**Enhancing energy reliability, security, and resilience.** According to the United States Global Change Research Program, U.S. energy infrastructure faces risks from adverse weather events that affect the nation's economic and national security. We have made numerous recommendations aimed at enhancing the reliability, security, and resilience of the nation's energy infrastructure. For example, we recommended that DOE conduct periodic reviews of the Strategic Petroleum Reserve (SPR) to provide Congress with timely information to inform decisions about the appropriate size of the SPR, develop tools for resilience planning to help utilities justify investments in grid resilience, and develop a strategy for coordinating efforts to enhance grid resilience to weather-related risks.

**Addressing Insider Threats and Cybersecurity Risks.** Federal agencies and our nation's critical infrastructures—such as energy infrastructure—depend on technology systems to carry out operations and manage essential information. The security of these systems and data is

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<sup>2</sup>Department of the Treasury, *Financial Report of the United States Government Fiscal Year 2024* (Washington, D.C.: Jan. 16, 2025).

vital to protecting individual privacy and ensuring national security, prosperity, and the well-being of Americans. We have identified several priority recommendations related to [cybersecurity](#)—an area on our [High Risk List](#)—that would improve DOE and NNSA’s efforts to manage cybersecurity risks. These include developing a plan to implement the federal cybersecurity strategy for the electric grid and crafting a cybersecurity risk management strategy to protect systems and data. We also recommended DOE establish a process to better integrate insider threat responsibilities, ensuring that the Insider Threat senior official can centrally manage all aspects of the Insider Threat Program.

Please see Enclosure 1 for additional details about the status and actions needed to fully implement all 30 open priority recommendations out of the 257 total recommendations that remain open. This includes priority recommendations for improving financial management and addressing worker protections.

We also provide additional information on DOE’s recommendation implementation rate and implemented, closed, and new priority recommendations since our June 2024 letter to Secretary Granholm; DOE-specific information in the consolidated financial statements of the U.S. government; and relevant management challenges from the high-risk list that apply to DOE in Enclosure 2. In response to legislation enacted in December 2022, this enclosure also includes information on any additional congressional oversight actions that can help agencies implement priority recommendations and address any underlying issues relating to such implementation.

Copies of this letter are being sent to appropriate congressional committees. We will also send a copy to the Administrator of NNSA when confirmed. The letter will be available on the GAO website at [Priority Open Recommendation Letters | U.S. GAO](#). We also plan to send separate letters specifically focused on open recommendations and key issues related to financial management and information technology. These letters will be sent to your Chief Financial Officer and Chief Information Officer, respectively.

If you have any questions or would like to discuss any of the issues outlined in this letter, please do not hesitate to contact me or Mark Gaffigan, Managing Director, Natural Resources and Environment, at [gaffiganm@gao.gov](mailto:gaffiganm@gao.gov). Contact points for our offices of Congressional Relations and Public Affairs may be found on the last page of this letter. Our teams will continue to coordinate with your staff on addressing these priority recommendations and the remaining 227 open recommendations. I appreciate DOE’s continued commitment and thank you for your personal attention to these important issues.

Sincerely,

**//SIGNED//**

Gene L. Dodaro  
Comptroller General  
of the United States

Enclosures – 2

**Enclosure 1**  
**Priority Open Recommendations to the Department of Energy**

**Improving Contract, Project, Program Management**

*Hanford Cleanup: DOE Has Opportunities to Better Ensure Effective Startup and Sustained Low-Activity Waste Operations.* [GAO-22-104772](#). Washington, D.C.: June 14, 2022

**Year Recommendation Made:** 2022

**Recommendation:** The Assistant Secretary of Environmental Management (EM) should ensure that existing challenges and problems identified in its review of facilities, systems, and components related to Direct-Feed Low-Activity Waste (DFLAW) are resolved by the end of hot commissioning.

**Actions Needed:** The Department of Energy (DOE) agreed with our recommendation. In May 2023, DOE provided an outline of the actions it was taking to implement the recommendation. Specifically, DOE directed the contractor responsible for completing DFLAW facilities to identify—in their proposal for a contract extension—measures to ensure that the challenges and problems with facilities, systems, and components are resolved by the end of hot commissioning.

As of January 2025, DOE had not finalized a contract extension. Resolving all design and construction challenges and problems with the facilities, systems, and components needed to start and sustain DFLAW operations by the end of hot commissioning will help DOE ensure that the costs of addressing existing challenges and problems do not fall to DOE.

**High-Risk Area:** [Acquisition and Program Management for DOE's National Nuclear Security Administration and Office of Environmental Management](#)

**Director:** Nathan J. Anderson, Natural Resources and Environment

**Contact Information:** [andersonn@gao.gov](mailto:andersonn@gao.gov)

*Carbon Capture and Storage: Actions Needed to Improve DOE Management of Demonstration Projects.* [GAO-22-105111](#). Washington, D.C.: December 20, 2021

**Year Recommendations Made:** 2022

**Recommendations:** The Principal Deputy Assistant Secretary for the Office of Fossil Energy and Carbon Management should (1) incorporate into any future carbon capture and storage (CCS) demonstration project selections a down-selection and allow adequate time for negotiations prior to entering cooperative agreements; and (2) take actions to more consistently administer future CCS demonstration projects against established scopes, schedules, and budgets.

**Actions Needed:** DOE neither agreed nor disagreed with the recommendations. In its response to our report, DOE stated that it was establishing a new Office of Clean Energy Demonstrations that would be better positioned to evaluate our recommendations and develop a corrective action plan. In January 2024, DOE indicated that during fiscal year 2024 it will continue to develop (1) its project management approach and (2) procedures to guide the Office of Clean

Energy Demonstrations in overseeing demonstration projects based on their planned scope, schedule, and budgets. As of January 2025, DOE's completion of these actions were pending. To fully implement these two recommendations, DOE also needs to revise its selection methods to incorporate a down-selection process and allow adequate time for due diligence of and negotiations with applicants prior to entering into cooperative agreements. Doing so would provide DOE with greater assurance that, it can select and negotiate future CCS demonstration projects that are likely to succeed and thereby mitigate DOE's financial exposure.

**Director:** Frank Rusco, Natural Resources and Environment

**Contact Information:** [ruscof@gao.gov](mailto:ruscof@gao.gov)

*Nuclear Energy Projects: DOE Should Institutionalize Oversight Plans for Demonstrations of New Reactor Types.* [GAO-22-105394](#). Washington, D.C.: September 8, 2022

**Year Recommendation Made:** 2022

**Recommendation:** The Secretary of Energy should ensure that the Assistant Secretary for Nuclear Energy and the Director of the Office of Clean Energy Demonstrations coordinate and institutionalize via documentation their processes for providing oversight for large nuclear energy demonstration projects, including the use of external independent reviews, steps for addressing any risks identified, and criteria for which projects should use these processes.

**Actions Needed:** DOE agreed with the recommendation. In its response to our report, DOE's Offices of Nuclear Energy and Clean Energy Demonstrations (OCED) stated that they were taking steps to document their processes for overseeing large nuclear demonstration projects—including the use of external independent peer reviews. In January 2025, DOE reported OCED had issued a cooperative agreement compliance oversight framework. OCED also developed an independent assessment policy to establish expectations for conducting independent assessments, including independent cost assessments and independent project reviews. However, these policy documents do not require that independent assessments be conducted by personnel outside of OCED.

Institutionalizing the policy of conducting external independent reviews by personnel outside of OCED—including personnel from DOE and augmented by individuals outside DOE—at critical decision points of a project could result in stronger oversight of large nuclear energy demonstration projects, other large energy demonstration projects overseen by OCED, and improved project performance.

**Director:** Frank Rusco, Natural Resources and Environment

**Contact Information:** [ruscof@gao.gov](mailto:ruscof@gao.gov)

*Federal Real Property: Agencies Should Provide More Information about Increases in Deferred Maintenance and Repair.* [GAO-24-105485](#). Washington, D.C.: November 16, 2023

**Year Recommendation Made:** 2024

**Recommendation:** The Secretary of Energy should ensure that the department works with its component agencies to develop plans to address their deferred maintenance and repair

(DM&R) backlogs and identify the funding and time frames needed to reduce them in congressional budget requests, related reports to decision-makers, or both.

**Actions Needed:** DOE neither agreed nor disagreed with the recommendation. As of January 2025, DOE had established a working group and was developing recommendations for specific changes to inform DOE's fiscal year 2026 budget process. To fully implement our recommendation, DOE should develop plans to address DM&R backlogs and identify the funding and time frames needed to reduce the backlogs in congressional budget requests, related reports to decision-makers, or both.

**High Risk Area:** [Managing Federal Real Property](#)

**Director:** Andrew Von Ah, Physical Infrastructure

**Contact Information:** [vonaha@gao.gov](mailto:vonaha@gao.gov)

*Nuclear Waste Cleanup: DOE Needs to Address Weaknesses in Program and Contractor Management at Los Alamos.* [GAO-23-105665](#). Washington, D.C.: July 19, 2023

**Year Recommendation Made:** 2023

**Recommendation:** The Secretary of Energy should direct the Senior Advisor for the Office of Environmental Management (EM) to develop guidance for its cleanup sites on how to incorporate GAO's essential elements of risk-informed decision-making when applying the prioritization schema referenced in EM's 2020 Program Management Protocol.

**Action Needed:** DOE concurred with our recommendation. At the time of our report, DOE stated that EM was developing further detailed guidance that will incorporate GAO's risk-informed decision-making framework when applying the prioritization schema referenced in the Program Management Protocol. In January 2025, DOE reported that EM was drafting an implementation plan for its Program Management Protocol that would include guidance on areas needing clarification, including prioritization. DOE told us they expect the implementation plan to be completed by September 30, 2025.

To fully implement our recommendation, EM should finalize and issue guidance to/for its cleanup sites that explains how they are to incorporate the essential elements of GAO's risk-informed decision-making when applying EM's prioritization schema. Doing so will help EM ensure that cleanup sites consistently use a risk-informed approach when making and documenting decisions.

**Director:** Nathan J. Anderson, Natural Resources and Environment

**Contact Information:** [andersonn@gao.gov](mailto:andersonn@gao.gov)

*Federal Software Licenses: Agencies Need to Take Action to Achieve Additional Savings.* [GAO-24-105717](#). Washington, D.C.: January 29, 2024

**Year Recommendation Made:** 2024

**Recommendation:** The Secretary of Energy should ensure that the agency consistently compares the inventories of software licenses that are currently in use with information on

purchased licenses to identify opportunities to reduce costs and better inform investment decision-making for its widely used licenses on a regular basis. At a minimum, it should consistently implement its procedures for comparing the inventories of licenses in use to purchase records.

**Action Needed:** DOE concurred with our recommendation. At the time of our report, DOE stated that it would begin periodically comparing the inventory of product suites procured to the Master Device Records gathered by sites to identify variations between the installed software suites and the software entitlements by September 30, 2025. In January 2025, DOE reported it began an initiative to capture software products for Departmental Elements beginning with Headquarters elements. It will also use Continuous Diagnostics and Mitigation monitoring tools and software manufacturers' sales reports to serve as a second and third validation point for the software inventory. However, DOE has not demonstrated that it is using this approach for analyzing its most widely used software licenses. To fully address this recommendation, DOE would need to complete its initiatives and provide sufficient evidence that its approach is consistently comparing the inventories of software licenses to available purchase records.

**High-Risk Area:** [Improving the Management of IT Acquisitions and Operations](#)

**Potential Financial Benefit if Implemented:** \$1 million or more

**Director:** Carol C. Harris, Information Technology and Cybersecurity Issues

**Contact Information:** [harriscc@gao.gov](mailto:harriscc@gao.gov)

*Nuclear Waste Cleanup: Closer Alignment with Leading Practices Needed to Improve Department of Energy Program Management.* [GAO-24-105975](#). Washington, D.C.: June 4, 2024

**Year Recommendation Made:** 2024

**Recommendation:** The Senior Advisor for the Office of Environmental Management (EM) should ensure EM develops program-wide performance metrics that follow the key components of effective performance metrics, as applicable, such as by developing performance metrics that measure the cost per unit of radioactivity treated.

**Actions Needed:** DOE agreed with our recommendation. As of January 2025, DOE had not reported actions to address the recommendation. Fully implementing our recommendation would help DOE provide a clearer picture of EM and contractor performance and better indicate whether EM is achieving its objective of reducing risks and costs of hazardous and radioactive waste cleanup at sites and facilities contaminated from decades of nuclear weapons production and nuclear energy research.

**High-Risk Area:** [U.S. Government's Environmental Liability](#) and [Acquisition and Program Management for DOE's National Nuclear Security Administration and Office of Environmental Management](#)

**Director:** Nathan J. Anderson, Natural Resources and Environment

**Contact Information:** [andersonn@gao.gov](mailto:andersonn@gao.gov)

*Nuclear Waste Cleanup: More Effective Oversight Is Needed to Help Ensure Better Project Outcomes.* [GAO-24-106716](#). Washington, D.C.: July 31, 2024

**Year Recommendation Made:** 2024

**Recommendation:** The Secretary of Energy should ensure that the Senior Advisor for the Office of Environmental Management works with the Director of the Office of Project Management to leverage existing mechanisms to hold applicable contractors accountable for maintaining a compliant Earned Value Management System (EVMS), evaluate if additional mechanisms are needed to hold contractors accountable—such as withholding payment if an EVMS is not compliant—and, if necessary, request authority from Congress to use those mechanisms.

**Actions Needed:** DOE agreed with our recommendation. As of January 2025, EM worked with the Director of the Office of Project Management to evaluate whether additional mechanisms are needed to hold contractors accountable for maintaining a compliant EVMS. EM determined that its existing mechanisms were sufficient. However, DOE has not yet provided information on how they are leveraging existing mechanisms to hold current contractors accountable. Fully implementing the recommendation will allow DOE to hold contractors accountable for maintaining quality earned value management data. Taking such actions will better position DOE to oversee contractor performance and ensure quality in capital asset projects.

**High-Risk Area:** [Acquisition and Program Management for DOE's National Nuclear Security Administration and Office of Environmental Management](#)

**Director:** Nathan J. Anderson, Natural Resources and Environment

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## **Addressing Nuclear Modernization Challenges**

*Nuclear Weapons: NNSA Should Further Develop Cost, Schedule, and Risk Information for the W87-1 Warhead Program.* [GAO-20-703](#). Washington, D.C.: September 9, 2020

**Year Recommendation Made:** 2020

**Recommendation:** The National Nuclear Security Administration (NNSA) Administrator should direct the Office of Defense Programs' plutonium program office to ensure that the integrated master schedule in development for pit production meets NNSA integrated master schedule standards, consistent with best practices for schedule development.

**Action Needed:** NNSA agreed with the recommendation. However, in January 2023, we found that the pit production integrated master schedule that NNSA implemented on October 1, 2021, did not meet minimum qualifications to be considered an integrated master schedule, according to published best practices in [GAO's Schedule Guide](#). In response, NNSA stated that it would continue to refine its integrated master schedule for plutonium pit production to align it with GAO best practices. In December 2023, the National Defense Authorization Act for Fiscal Year 2024 required the NNSA Administrator to ensure the Plutonium Modernization program is managed in

accordance with GAO best practices for schedule development and cost estimating no later than July 14, 2025.<sup>3</sup>

In January 2025, NNSA stated that it was in the process of developing an integrated master schedule for plutonium pit production that is consistent with best practices. NNSA estimated that it would complete this schedule by March 31, 2025. To fully implement our recommendation, NNSA needs to develop its integrated master schedule using GAO best practices. Developing this schedule could improve NNSA's decision-making for managing a complex and expensive program, enhance the efficiency and effectiveness of its efforts, and better ensure the quality of information it provides to Congress.

**High-Risk Area:** [Acquisition and Program Management for DOE's National Nuclear Security Administration and Office of Environmental Management](#)

**Director:** Allison B. Bawden, Natural Resources and Environment

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*Nuclear Security Enterprise: NNSA Should Use Portfolio Management Leading Practices to Support Modernization Efforts.* [GAO-21-398](#). Washington, D.C.: June 9, 2021

**Year Recommendation Made:** 2021

**Recommendation:** The NNSA Administrator should establish an enterprise-wide portfolio management framework. The framework should define the portfolio of weapons stockpile and infrastructure maintenance and modernization programs and its governance roles, as well as include portfolio-level selection criteria, prioritization criteria, and performance metrics.

**Actions Needed:** NNSA agreed with the recommendation. In its fiscal year 2022 *Stockpile Stewardship and Management Plan*, NNSA defined the Weapons Activities portfolio as including weapons stockpile and infrastructure maintenance and modernization programs. Further, in a June 2021 directive, NNSA identified a position to serve as the portfolio manager. Additionally, in response to a requirement in the National Defense Authorization Act for Fiscal Year 2022, NNSA provided a briefing to Congress in November 2022, with information on the agency's progress in addressing our recommendation. In its briefing materials, NNSA provided a structure for the Weapons Activities portfolio that generally aligns with the Weapons Activities budget structure and includes scopes of work managed by multiple NNSA offices. As of January 2025, NNSA stated that the Office of Defense Programs' Office of Systems Engineering and Integration was updating the Defense Programs' Program *Execution Instruction* with this information. Completing these steps would satisfy our recommendation and provide NNSA with a more structured and defensible approach to managing the billions of dollars of work in the Weapons Activities portfolio.

**High-Risk Area:** [Acquisition and Program Management for DOE's National Nuclear Security Administration and Office of Environmental Management](#)

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<sup>3</sup>The National Defense Authorization Act for Fiscal Year 2024, enacted in December 2023, requires the NNSA Administrator to ensure that the Plutonium Modernization program is managed in accordance with GAO's best practices for schedule development and cost estimating no later than July 14, 2025. Pub. L. No. 118-31, div. C, tit. XXXI, § 3117, 137 Stat. 136, 791 (2023) (codified at 50 U.S.C. § 2538a(h)).

**Director:** Allison B. Bawden, Natural Resources and Environment  
**Contact Information:** [bawdena@gao.gov](mailto:bawdena@gao.gov)

*Nuclear Weapons: NNSA Does Not Have a Comprehensive Schedule or Cost Estimate for Pit Production Capability.* [GAO-23-104661](#). Washington, D.C.: January 12, 2023

**Year Recommendation Made:** 2023

**Recommendation:** The NNSA Administrator should ensure that the head of the Plutonium Modernization program develops a life-cycle cost estimate for establishing NNSA's pit production capability that aligns with GAO cost estimating best practices.

**Actions Needed:** NNSA concurred with our recommendation. As of January 2025, NNSA officials said that they plan to develop a life-cycle cost estimate in 2026, after establishing baseline cost and schedule estimates for the Savannah River Plutonium Processing Facility and the Los Alamos Plutonium Pit Production Project, which have experienced delays. In our report, we noted in our response to the agency's comments that, based on NNSA's own plans, if this tool is not developed before 2026, the program will have reached major milestones, such as producing the first war reserve pit, without a life-cycle cost estimate. During this time, NNSA will have spent billions of dollars without having an overall estimate of total program costs. In the National Defense Authorization Act for Fiscal Year 2024, the NNSA Administrator was required to ensure that the Plutonium Modernization program is managed in accordance with GAO's best practices for schedule development and cost estimating no later than July 14, 2025.

In order to meet this statutory requirement and have quality cost information to help manage the Plutonium Modernization program, we encourage NNSA to develop both its programmatic life cycle cost estimate and integrated master schedule using GAO best practices as soon as possible, rather than waiting for project baselines that may continue to be delayed.

**High-Risk Area:** [Acquisition and Program Management for DOE's National Nuclear Security Administration and Office of Environmental Management](#)

**Director:** Allison B. Bawden, Natural Resources and Environment  
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*National Nuclear Security Administration: Actions Needed to Improve Integration of Production Modernization Programs and Projects.* [GAO-24-106342](#). Washington, D.C.: July 9, 2024

**Year Recommendation Made:** 2024

**Recommendation:** The NNSA Administrator should ensure that the other seven Production Modernization programs, as statutorily required for the Plutonium Modernization program, are managed in accordance with GAO's best practices for schedule development by developing and maintaining reliable, resource-loaded integrated master schedules, or otherwise documenting with senior leadership approval their rationale for not doing so.

**Actions Needed:** NNSA concurred with this recommendation. In its response to our report, NNSA stated the agency would incorporate, as appropriate, GAO's best practices for schedule development into its requirements for developing program schedules—the Office of Defense

Programs' *Program Execution Instruction*. Further, NNSA stated that Production Modernization programs will be required to develop and maintain reliable, resource-loaded integrated master schedules, or to document with senior leadership approval their rationale for not doing so. As of January 2025, NNSA planned to complete these actions by September 30, 2025. Completing these actions would provide senior NNSA leadership and congressional decision-makers with greater assurance that schedule information they receive from programs are complete, accurate, and reliable. This, in turn, will help to inform critical decisions and better ensure that NNSA can meet necessary deadlines for producing the nuclear materials and components essential to the nation's weapons modernization programs.

**High-Risk Area:** [Acquisition and Program Management for DOE's National Nuclear Security Administration and Office of Environmental Management](#)

**Director:** Allison B. Bawden, Natural Resources and Environment

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**Addressing DOE's Environmental and Disposal Liability**

*Hanford Cleanup: DOE's Efforts to Close Tank Farms Would Benefit from Clearer Legal Authorities and Communication.* [GAO-21-73](#). Washington, D.C.: January 7, 2021

**Year Recommendation Made:** 2021

**Recommendation:** The Secretary of Energy should direct the Assistant Secretary of EM to obtain the assistance of an independent, third-party mediator to help reach agreement with the state of Washington's Department of Ecology on a process for assessing the contaminated soil and what role the Nuclear Regulatory Commission (NRC) should play in this process.

**Action Needed:** DOE agreed with our recommendation. As of January 2025, the recommendation remains open. DOE officials told us that they have engaged a third-party mediator with the Washington State Department of Ecology and the U.S. Environmental Protection Agency (EPA) regarding soil assessment. In January 2025, DOE officials reported that the first mediated session to address the soil assessment occurred in August 2024. To fully implement this recommendation, DOE needs to resolve this significant disagreement with the state of Washington. Continuing to use an independent mediator to help reach an agreement on these issues as soon as possible would best position DOE to avoid future cleanup delays.

**High-risk Area:** [U.S. Government's Environmental Liability](#)

**Director:** Nathan J. Anderson, Natural Resources and Environment

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*Nuclear Waste Cleanup: Actions Needed to Determine Whether DOE's New Contracting Approach is Achieving Desired Results.* [GAO-22-105417](#). Washington, D.C.: September 28, 2022

**Year Recommendation Made:** 2022

**Recommendation:** The Assistant Secretary of EM should develop and document specific performance goals for the End State Contracting Model (ESCM) and measures to track progress toward achieving them. EM should use this performance information to improve the ESCM and to better ensure that it is achieving desired results.

**Actions Needed:** EM concurred with this recommendation. As of January 2025, EM had taken steps to require each task order associated with ESCM contracts to document key metrics for assessing performance. In addition, EM officials told GAO they are in the process of developing new guidance that will require the consistent use of specific metrics to assess the performance of individual contracts, and the ESCM initiative as a whole. Until EM establishes measurable performance goals and can assess its progress toward meeting them, the office risks continuing to award billions of dollars through a new contracting approach that it has not verified is achieving the desired results in improving contracting for environmental cleanup.

**High-Risk Area:** [Acquisition and Program Management for DOE's National Nuclear Security Administration and Office of Environmental Management](#)

**Director:** Nathan J. Anderson, Natural Resources and Environment

**Contact Information:** [andersonn@gao.gov](mailto:andersonn@gao.gov)

*Nuclear Waste Cleanup: Adopting Leading Practices Could Strengthen DOE's Engagement with Stakeholders and Governments.* [GAO-24-106014](#). Washington, D.C.: September 9, 2024

**Year Recommendation Made:** 2024

**Recommendation:** The Senior Advisor for the Office of Environmental Management should develop and use a national framework that defines EM's strategy for engagement with stakeholders and governments across the EM complex and that incorporates elements of leading practices for engagement.

**Actions Needed:** DOE agreed with our recommendation. As of January 2025, EM officials told us that they had participated in discussions with an independent entity, the Regulatory Center for Excellence, to assist in defining a statement of work and approach to developing a national stakeholder engagement framework. The Regulatory Center for Excellence is engaging with EM and its field offices to identify best practices, define opportunities, and understand capabilities. The center is also engaging intergovernmental organizations and community leaders to obtain perspectives on engagement with EM, which they plan use to shape the draft framework. Developing a national framework that defines EM's strategy for how to engage with stakeholders and governments across the EM complex could better position EM to build and maintain trust with stakeholders and governments affected by its decisions.

**High-Risk Area:** [U.S. Government's Environmental Liability](#)

**Director:** Nathan J. Anderson, Natural Resources and Environment

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*Hanford Cleanup: Alternatives for Treating and Disposing of High-Level Waste Could Save Billions of Dollars and Reduce Certain Risks.* [GAO-24-106989](#). Washington, D.C.: September 26, 2024

## **Year Recommendation Made: 2024**

**Recommendation:** The Secretary of Energy should ensure the Senior Advisor for Environmental Management pauses engineering design, reconfiguration, and construction activities on the high-level waste (HLW) Facility at Hanford until DOE (1) defines a mission need for the HLW project that is independent of a particular facility, technological solution, or physical end-item; (2) considers the results of an independent analysis of opportunities to optimize the portion of Hanford's HLW that should be managed, treated, and disposed as high-level radioactive waste; and (3) addresses technical issues with the HLW Facility identified by DNFSB.

**Actions needed:** DOE did not concur with our recommendation and, as of January 2025, has taken no action to implement it. In its comments to our report, DOE stated that pausing activity on the HLW Facility would conflict with existing cleanup milestones and DOE's plan to complete the HLW Facility by 2033. DOE also said it will continue to seek opportunities to optimize the amount of the waste to be treated in the facility while also working with the Defense Nuclear Facilities Safety Board to resolve technical issues. We disagree that pausing activity on the HLW facility would conflict with cleanup milestones. The current deadline for DOE to complete the HLW Facility is more than 8 years away and the recent holistic agreement with the State of Washington allows for further negotiations about the HLW treatment mission and timelines. We believe sufficient time exists for DOE to determine an optimal solution for treating the HLW while remaining faithful to its regulatory commitments.

**High-Risk Area:** [U.S. Government's Environmental Liability](#) and [Acquisition and Program Management for DOE's National Nuclear Security Administration and Office of Environmental Management](#)

**Potential Financial Benefit if Implemented:** One billion dollars or more.

**Director:** Nathan J. Anderson, Natural Resources and Environment

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## **Addressing Strategic Human Capital Management**

*National Nuclear Security Administration: Actions to Recruit and Retain Federal Staff Could Be Improved.* [GAO-24-106167](#). Washington, D.C.: May 29, 2024

## **Year Recommendation Made: 2024**

**Recommendation:** The Director of the NNSA Office of Human Resources should regularly assess the results of NNSA's recruitment and retention actions using outcome-based performance measures.

**Actions Needed:** NNSA agreed in principle with our recommendation. In its April 2024 response letter, NNSA stated that its Office of Human Resources plans to document the agency's strategies for using performance measures to assess the results of its recruitment and retention actions and develop standard operating procedures for recruitment. As of January 2025, NNSA has not provided documentation of completing these actions. Fully addressing the

recommendation by documenting these strategies could help decision-makers understand whether NNSA's actions are achieving their desired results.

**High Risk Area:** [Acquisition and Program Management for DOE's National Nuclear Security Administration and Office of Environmental Management](#)

**Director:** Allison B. Bawden, Natural Resources and Environment

**Contact Information:** [bawdena@gao.gov](mailto:bawdena@gao.gov)

*Nuclear Waste Cleanup: Changes Needed to Address Current and Growing Shortages in Mission-Critical Positions.* [GAO-24-106479](#). Washington, D.C.: July 18, 2024

**Year Recommendation Made:** 2024

**Recommendation:** The Senior Advisor for DOE's Office of Environmental Management (EM) should revise EM's workforce planning to align with leading practices, including being forward-looking, clearly documenting human capital performance targets and measures, and developing comprehensive succession plans, while also ensuring that internal and external planning documents align.

**Actions Needed:** EM agreed with the recommendation. EM stated it would revise its procedures and planning documents, among other things. As of January 2025, EM had not completed these actions. To fully implement our recommendation, EM needs to develop a human capital plan that aligns with internal and external strategic documents and conduct comprehensive succession planning. Doing so would better equip EM to address severe staffing shortages and allow EM to gain greater flexibility in hiring hard-to-fill vacancies.

**High-Risk Area:** [Acquisition and Program Management for DOE's National Nuclear Security Administration and Office of Environmental Management](#)

**Director:** Nathan J. Anderson, Natural Resources and Environment

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**Enhancing Energy Reliability, Security, and Resilience**

*Strategic Petroleum Reserve: DOE Needs to Strengthen Its Approach to Planning the Future of the Emergency Stockpile.* [GAO-18-477](#). Washington, D.C.: May 30, 2018

**Year Recommendations Made:** 2018

**Recommendations:** The Secretary of Energy should: (1) take actions to ensure that the agency periodically conducts and provides to Congress a strategic review of the Strategic Petroleum Reserve (SPR) that, among other things, takes into account changes in crude oil and petroleum product market conditions and contains additional analysis, such as the costs and benefits of a wide range of different SPR sizes; and (2) conduct or complete studies on the costs and benefits of regional petroleum product reserves for all U.S. regions that have been identified as vulnerable to fuel supply disruptions, and the Secretary should report the results to Congress.

**Actions Needed:** In May 2018, DOE agreed with our first recommendation to conduct periodic strategic reviews of the SPR and provide the information to Congress. In September 2018, DOE stated that a 5-year time interval between reviews was an appropriate time frame and would allow current strategic plans to be implemented and assessed. At the time, DOE officials told us that the department would complete a SPR Long-Term Strategic Review by the end of fiscal year 2021, 5 years from the last review in 2016. As of January 2025, DOE stated that the Long-Term Strategic Plan is undergoing an internal DOE review before going to the Office of Management and Budget (OMB) for its review. To fully address this recommendation, DOE needs to take action to ensure that it undertakes a strategic review on a periodic basis going forward.

In May 2018, DOE disagreed with our second recommendation to conduct or complete studies on the costs and benefits of regional petroleum product reserves. DOE stated that the agency's position is that government-owned and -operated regional petroleum product reserves are an inefficient and expensive solution for responding to regional fuel supply disruptions. DOE continues to disagree with the recommendation and stated that given the inefficient and expensive nature of storing refined petroleum products in above-ground tanks, it would be an inappropriate use of taxpayer funds to conduct any additional studies on the use of federal government owned storage of refined petroleum products.

However, the Quadrennial Energy Review of 2015 recommended that similar analyses be completed for other areas that DOE deemed vulnerable to fuel supply disruptions. Therefore, we continue to believe that conducting these analyses would provide Congress with information needed to make decisions about regional product reserves. To address this recommendation, DOE needs to conduct the analyses, which it had not done as of January 2025.

**Director:** Frank Rusco, Natural Resources and Environment

**Contact Information:** [ruscof@gao.gov](mailto:ruscof@gao.gov)

*Electricity Grid: Opportunities Exist for DOE to Better Support Utilities in Improving Resilience to Hurricanes.* [GAO-21-274](#). Washington, D.C.: March 5, 2021

**Year Recommendation Made:** 2021

**Recommendation:** The Secretary of Energy should establish a plan, including time frames, as appropriate, to guide the agency's efforts to develop tools for resilience planning, such as performance measures for resilience, a framework for resilience planning, and additional information on the cost of long-term power outages.

**Action Needed:** DOE agreed with our recommendation. In June 2021, DOE officials told us that its Office of Cybersecurity, Energy Security, and Emergency Response (CESER) was establishing a plan of action. The plan covers energy sector risk management—building on several completed and ongoing elements led by DOE program offices for resilience planning—including tools for resilience planning, frameworks for resilience planning, and information on the long-term costs of power outages. In April 2024, DOE-CESER told us it aimed to complete this plan by September 30, 2024, pending availability of funds. As of January 2025, DOE has not confirmed completion of this plan. We continue to believe that establishing a plan to guide DOE efforts to develop tools for resilience planning would help utilities justify resilience investments and improve grid resilience.

**High-Risk Area:** [Limiting the Federal Government's Fiscal Exposure by Better Managing Climate Change Risks](#)

**Director:** Frank Rusco, Natural Resources and Environment

**Contact Information:** [ruscof@gao.gov](mailto:ruscof@gao.gov)

*Electricity Grid Resilience: Climate Change Is Expected to Have Far-reaching Effects and DOE and FERC Should Take Actions.* [GAO-21-346](#). Washington, D.C.: March 5, 2021

**Year Recommendation Made:** 2021

**Recommendation:** The Secretary of Energy should develop and implement a department-wide strategy to coordinate its efforts that defines goals and measures progress to enhance the resilience of the electricity grid to the risks of climate change.

**Action Needed:** DOE agreed with our recommendation. In January 2025, DOE reported that it finalized its Grid Modernization Initiative (GMI) strategy in July 2024. DOE stated that strategy included an all-hazards approach to characterize and implement system resilience and intended the strategy to serve as the foundation for its departmentwide climate change strategy. The strategy identified climate change mitigation and adaptation goals, including reducing emissions and adapting to already occurring changes through activities such as updating grid technologies and policies at all levels, from generation, transmission, and distribution through end use.

However, DOE's strategy document does not describe how the department will implement the strategy or measure progress. To fully address our recommendation, DOE should outline how it plans to implement the strategy and measure progress to enhance the resilience of the electricity grid to the risks of climate change.

**High-Risk Area:** [Limiting the Federal Government's Fiscal Exposure by Better Managing Climate Change Risks](#)

**Director:** Frank Rusco, Natural Resources and Environment

**Contact Information:** [ruscof@gao.gov](mailto:ruscof@gao.gov)

**Addressing Insider Threats and Cybersecurity Risks**

*Critical Infrastructure Protection: Actions Needed to Address Significant Cybersecurity Risks Facing the Electric Grid.* [GAO-19-332](#). Washington, D.C.: August 26, 2019

**Year Recommendation Made:** 2019

**Recommendation:** The Secretary of Energy, in coordination with the Department of Homeland Security and other relevant stakeholders, should develop a plan aimed at implementing the federal cybersecurity strategy for the electric grid and ensure that the plan addresses the key characteristics of a national strategy, including a full assessment of cybersecurity risks to the grid.

**Actions Needed:** DOE agreed with our recommendation. As of January 2025, DOE did not have an estimated date for issuing a plan that addresses the key characteristics needed to

implement a national strategy, such as fully assessing cybersecurity risks to the electricity grid. DOE still needs to develop a plan for implementing the federal cybersecurity strategy for the electric grid and coordinate that plan with the Department of Homeland Security and other relevant stakeholders. Until DOE develops a plan and ensures it addresses all of the key characteristics of a national strategy—including a full assessment of cybersecurity risks—decision-makers responsible for allocating resources to address risks and challenges will be operating with limited guidance.

**High-Risk Area:** [Ensuring the Cybersecurity of the Nation](#)

**Directors:** Frank Rusco, Natural Resources and Environment; and Marisol Cruz Cain, Information Technology and Cybersecurity

**Contact Information:** [ruscof@gao.gov](mailto:ruscof@gao.gov); [cruzcainm@gao.gov](mailto:cruzcainm@gao.gov)

*Cybersecurity: Agencies Need to Fully Establish Risk Management Programs and Address Challenges.* [GAO-19-384](#). Washington, D.C.: July 25, 2019

**Year Recommendation Made:** 2019

**Recommendation:** The Secretary of Energy should develop a cybersecurity risk management strategy that includes the key elements identified in this report.

**Action Needed:** DOE agreed with the recommendation. In January 2022, DOE's Enterprise Cybersecurity Program Plan issued its risk management amplification guidance that addressed most elements of a risk management strategy that we identified in our report. However, as of January 2025, DOE had not provided additional evidence to show that it had incorporated details for an approach to risk tolerance in its enterprise cybersecurity program plan.

To fully address our recommendation, DOE needs to provide supplemental information to describe how risk tolerance is incorporated into its enterprise cybersecurity program. Without ensuring that its plans include such information, DOE may lack a clear organization-wide understanding of acceptable risk levels and appropriate risk response strategies to protect its systems and data.

**High-Risk Area:** [Ensuring the Cybersecurity of the Nation](#)

**Director:** Marisol Cruz Cain, Information Technology and Cybersecurity Issues

**Contact Information:** [cruzcainm@gao.gov](mailto:cruzcainm@gao.gov)

*Privacy: Dedicated Leadership Can Improve Programs and Address Challenges,* [GAO-22-105065](#). Washington, D.C.: September 22, 2022

**Year Recommendation Made:** 2022

**Recommendation:** The Secretary of Energy should establish a time frame for fully defining the role of the senior agency official for privacy (SAOP) or other designated privacy official in reviewing and approving system categorizations, overseeing privacy control assessments, and reviewing authorization packages, and document these roles.

**Actions Needed:** DOE agreed with the recommendation. In response to our report, DOE stated that its Office of the Chief Information Officer was in the process of updating DOE Order 206.1, DOE Privacy Program. DOE officials said it would document and define the SAOP's role in reviewing and approving system categorizations, overseeing privacy control assessments, and reviewing authorization packages. DOE's January 2024 update to the order identifies roles and responsibilities for privacy control assessments. However, the order does not specify how the senior agency official for privacy or other privacy officials are involved in reviewing and approving categorizations for systems with personally identifiable information or reviewing system authorization packages.

To fully address our recommendation, DOE would need to provide relevant updated policies and procedures that define and document the role of the SAOP, or other privacy officials, in reviewing and approving system categorizations, overseeing privacy control assessments, and reviewing authorization packages. Completing this update and review will help DOE ensure it adequately incorporates privacy protections in systems with personally identifiable information.

**High-Risk Area:** [Ensuring the Cybersecurity of the Nation](#)

**Director:** Marisol Cruz Cain, Information Technology and Cybersecurity Issues

**Contact Information:** [cruzcaim@gao.gov](mailto:cruzcaim@gao.gov)

*Nuclear Security: DOE Should Take Actions to Fully Implement Insider Threat Program.* [GAO-23-105576](#). Washington, D.C.: May 24, 2023

**Year Recommendations Made:** 2023

**Recommendation:** The Insider Threat Program senior official should establish a process to better integrate insider threat responsibilities, ensuring that the senior official can centrally manage all aspects of the Insider Threat Program.

**Actions Needed:** DOE agreed with the recommendation. As of January 2025, DOE revised its Insider Threat Program Order, which calls for better integration of insider threat responsibilities and designated a new senior official for the Insider Threat Program. DOE also produced a near-term strategy that identified other key actions in response to our recommendation, including that the Insider Threat Program Senior official clarify program roles and responsibilities and hire a liaison to coordinate referrals between certain DOE offices.

To fully address our recommendation, DOE needs to better integrate its insider threat responsibilities or DOE's program will continue to face significant challenges that preclude it from having an effective or fully operational program.

**High-Risk Area:** [Acquisition and Program Management for DOE's National Nuclear Security Administration and Office of Environmental Management](#)

**Director:** Allison B. Bawden, Natural Resources and Environment

**Contact Information:** [bawdena@gao.gov](mailto:bawdena@gao.gov)

**Improving Financial Management**

*Financial Management: DOE and NNSA Have Opportunities to Improve Management of Carryover Balances.* [GAO-22-104541](#). Washington, D.C.: July 25, 2022

**Year Recommendation Made:** 2022

**Recommendation:** The DOE Chief Financial Officer should document DOE's and NNSA's percentage target thresholds to more clearly describe how the thresholds should be applied to uncosted balances and better define the purpose of the percentage targets to ensure that EM, NNSA, and other departmental elements apply the thresholds consistently.

**Action Needed:** DOE concurred with the recommendation. At the time of our 2022 report, DOE stated that the department would establish a working group to provide recommendations regarding the appropriate use of uncosted balance thresholds as a budget execution metric, including how thresholds are established, reviewed, and used in DOE's budget formulation process. As of January 2025, DOE reported that the working group provided recommendations to the department that were under review. DOE officials also stated they will include the revised metrics based on these recommendations and revise their existing policy, which officials estimated would be complete in March 2025.

To fully address our recommendation, DOE should document DOE's and NNSA's percentage target thresholds to more clearly describe how the thresholds should be applied to uncosted balances and better define the purpose of the percentage targets to ensure that EM, NNSA, and other departmental elements apply the thresholds consistently.

**Director:** Allison B. Bawden, Natural Resources and Environment

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**Addressing Worker Protections**

*Department of Energy: Whistleblower Protections Need Strengthening.* [GAO-16-618](#). Washington, D.C.: July 11, 2016

**Year Recommendation Made:** 2016

**Recommendation:** The Secretary of Energy should revise DOE's Integrated Safety Management policy and guidance to clarify what constitutes evidence of a chilled work environment and define the appropriate steps that DOE should take to hold contractors accountable for creating a chilled work environment.

**Actions Needed:** DOE agreed with our recommendation. However, DOE's revised Integrated Safety Management Policy 450.4A does not outline the appropriate steps that DOE should take to hold contractors accountable for creating a chilled work environment. As of January 2025, officials said they were reviewing several policies and orders that will help address the issues related to our recommendation. DOE needs to revise its safety management policy and guidance to include the elements that we recommended. In doing so, DOE would be better able to hold contractors accountable for addressing chilled work environments and increase contractor employee confidence in the mechanisms they can use to raise safety concerns.

**Director:** Allison B. Bawden, Natural Resources and Environment

**Contact Information:** [bawdena@gao.gov](mailto:bawdena@gao.gov)

*Sexual Harassment: NNSA Could Improve Prevention and Response Efforts in Its Nuclear Security Forces.* [GAO-21-307](#). Washington, D.C.: April 19, 2021

**Year Recommendation Made:** 2021

**Recommendation:** The Secretary of Energy should fully implement plans to address the department's Equal Employment Opportunity (EEO) program deficiencies relevant to sexual harassment and work with NNSA to fully implement plans to address the agency's EEO program deficiencies relevant to sexual harassment.

**Actions Needed:** DOE agreed with the recommendation. As of January 2025, DOE reported that the Equal Employment Opportunity Commission verified that DOE has addressed nine of the ten program deficiencies relevant to sexual harassment and that NNSA has addressed two of three. DOE has also reported that it established a new EEO complaints division in February 2024. To fully implement our recommendation, DOE should fully implement its plans to address its remaining EEO program deficiencies relevant to sexual harassment and work with NNSA to address its remaining deficiency.

**Director:** Allison B. Bawden, Natural Resources and Environment

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## Enclosure 2

### Key Information About the Status of GAO Recommendations and Improving Agency Operations

#### Department of Energy's (DOE) Recommendation Implementation Rate

In November 2024, we reported that, on a government-wide basis, 70 percent of our recommendations made 4 years ago were implemented.<sup>4</sup> DOE's recommendation implementation rate was 69 percent.<sup>5</sup> As of April 2025, DOE had 257 open recommendations.

#### Implemented, Closed, and New Priority Recommendations

Our June 2024 letter to Secretary Granholm identified 27 priority recommendations.<sup>6</sup> Since then, three recommendations were implemented, none were closed as no longer valid, and we added seven new priority recommendations.<sup>7</sup>

#### Implemented Recommendations:

- In July 2024, National Nuclear Security Administration (NNSA) officials provided us with information on its newly developed business case to identify the required resources to implement cybersecurity foundational practices for the operational technology environment. By creating a business case that it can feed into NNSA's existing budgeting process, NNSA will be better positioned to marshal the resources necessary to develop an operational technology cybersecurity management framework that aligns with foundational risk management practices.<sup>8</sup> This action meets the intent of our September 2022 recommendation.
- In September 2024, NNSA officials issued a revised Supplemental Directive 205.1, Baseline Cybersecurity Policy that contained additional guidance for contractors, specifying that they should ensure the ongoing monitoring of cybersecurity requirements for all subcontractors. By clarifying to contractors that they are required to monitor subcontractor cybersecurity, NNSA will close gaps in management and operating

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<sup>4</sup>GAO, *Performance and Accountability Report: Fiscal Year 2024*, [GAO-25-900570](#) (Washington, D.C.: Nov. 15, 2024).

<sup>5</sup>In the letters we issued in 2022, 2023, and 2024, we reported DOE's implementation rates were 68, 59, and 58 percent, respectively. GAO, *Priority Open Recommendations: Department of Energy*, [GAO-24-107308](#) (Washington, D.C.: June 28, 2024); *Priority Open Recommendations: Department of Energy*, [GAO-23-106459](#) (Washington, D.C.: May 25, 2023); *Priority Open Recommendations: Department of Energy*, [GAO-22-105599](#) (Washington, D.C.: June 27, 2022).

<sup>6</sup>[GAO-24-107308](#).

<sup>7</sup>In addition to the three recommendations that DOE implemented, we determined that one recommendation no longer warrants priority attention. Specifically, we removed the priority status from recommendation 1 from our report *Hanford Waste Treatment Plant: DOE Is Pursuing Pretreatment Alternatives, but Its Strategy Is Unclear While Costs Continue to Rise*, [GAO-20-363](#). (Washington, D.C.: May 12, 2020).

<sup>8</sup>GAO, *Nuclear Weapons Cybersecurity: NNSA Should Fully Implement Foundational Cybersecurity Risk Management Practices*, [GAO-22-104195](#) (Washington D.C.: Sept. 22, 2022).

contractor oversight of subcontractors and ensure more consistent protection of information and systems.<sup>9</sup> This action meets the intent of our September 2022 recommendation.

- In December 2024, DOE revised its Insider Threat Program Order—DOE Order 470.5A. The revised order provides direction to all departmental and field elements regarding their specific responsibilities for supporting the program. With the revised order, DOE is better positioned to centrally manage insider risk at the agency.<sup>10</sup> This action is consistent with the intent of our May 2023 recommendation.

### **New Priority Recommendations:**

- Two new priority recommendations are in the Improving Contract, Project, and Program Management area. (See Enclosure 1.)
- One new priority recommendation is in the Addressing Nuclear Modernization Challenges area. (See Enclosure 1.)
- Two new priority recommendations are in the Addressing DOE’s Environmental and Disposal Liability area. (See Enclosure 1.)
- Two new priority recommendations fall into the Addressing Strategic Human Capital Management area. (See Enclosure 1.)

### **Financial Statement Audit**

As the auditor of the consolidated financial statements of the U.S. government, I have noticed that the Department of Energy received a qualified audit opinion on its fiscal year 2024 financial statements. DOE was unable to adequately support a material portion of its environmental liability balance as of September 30, 2024. These limitations on the audit opinion and underlying internal control weakness, as well as related auditor recommendations, are important issues and I encourage you to address them.

### **High-Risk List**

In February 2025 we issued our biennial update to our [High Risk List](#). This list identifies government operations with greater vulnerabilities to fraud, waste, abuse, and mismanagement. It also identifies the need for transformation to address economy, efficiency, or effectiveness challenges.<sup>11</sup> Two of our high-risk areas—[acquisition and program management for DOE’s National Nuclear Security Administration and Office of Environmental Management](#) and the [U.S. government’s environmental liability](#)—center directly on DOE.

Several other government-wide, high-risk areas also have direct implications for DOE and its operations. These include improving management of [IT acquisitions and operations](#), improving

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<sup>9</sup>[GAO-22-104195](#).

<sup>10</sup>[GAO-23-105576](#).

<sup>11</sup>GAO, *High-Risk Series: Heightened Attention Could Save Billions More and Improve Government Efficiency and Effectiveness*, [GAO-25-107743](#) (Washington, D.C.: Feb. 25, 2025).

strategic [human capital](#) management and [personnel security clearance process](#), managing [federal real property](#), and ensuring the [cybersecurity](#) of the nation.

In addition to DOE's high-risk areas, we urge your continued attention to the other government-wide, high-risk issues as they relate to DOE. Progress on high-risk issues has been possible through the concerted actions and efforts of Congress, the Office of Management and Budget (OMB), and the leadership and staff in agencies, including DOE. In March 2022, we issued a report on key practices to successfully address high-risk areas, which can be a helpful resource as your agency continues to make progress to address high-risk issues.<sup>12</sup>

### **Congress's Role on GAO Recommendations**

We recognize the key role Congress plays in providing oversight and maintaining focus on our recommendations to ensure they are implemented and produce their desired results. Legislation enacted in December 2022 includes a provision for GAO to identify any additional congressional oversight actions that can help agencies implement priority recommendations and address any underlying issues relating to such implementation.<sup>13</sup>

Congress can use various strategies to address our recommendations, such as incorporating them into legislation. Congress can also use its budget, appropriations, and oversight processes to incentivize executive branch agencies to act on our recommendations and monitor their progress. For example, Congress can hold hearings focused on DOE's progress in implementing GAO's priority recommendations, withhold funds when appropriate, or take other actions to provide incentives for the agency to act. Moreover, Congress can follow up during the appropriations process and request periodic updates.

Congress also plays a key role in addressing any underlying issues related to the implementation of these recommendations. For example, Congress can pass legislation providing an agency explicit authority to implement a recommendation or requiring an agency to take certain actions to implement a recommendation.

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<sup>12</sup>GAO, *High-Risk Series: Key Practices to Successfully Address High-Risk Areas and Remove Them from the List*, [GAO-22-105184](#) (Washington, D.C.: Mar. 3, 2022).

<sup>13</sup>James M. Inhofe National Defense Authorization Act for Fiscal Year 2023, Pub. L. No. 117-263, § 7211(a)(2), 136 Stat. 2395, 3668 (2022); H.R. Rep. No. 117-389 (2022) (accompanying Legislative Branch Appropriations Act, 2023 H.R. 8237, 117th Cong. (2022)).

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