

ORDER

SPRPMO O 151.2D

Approved: 7/17/14

DRAWDOWN READINESS PROGRAM



U.S. DEPARTMENT OF ENERGY Strategic Petroleum Reserve Project Management Office

DISTRIBUTION: All SPRPMO Employees,
M&O Contractor

INITIATED BY: Assistant Project Manager for
Maintenance and Operations, Crude Oil, Drawdown
Readiness and Cavern Integrity Division

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DRAWDOWN READINESS PROGRAM

1. PURPOSE. The purpose of this Order is to define the Strategic Petroleum Reserve Project Management Office (SPRPMO) program for assuring drawdown readiness and to assign management responsibilities for implementation of this program. The Drawdown Readiness Program assures that the SPRPMO can meet its obligations for oil drawdown in response to directives received under the Energy Policy and Conservation Act. Guidance concerning the regulatory implementation of this act is given in the Drawdown and Distribution Management Manual. Implementation instructions and processes are also contained in the Drawdown Management Plan, the Drawdown Implementation Manual, and Drawdown Readiness Program Plan.
2. CANCELLATION. This Order cancels SPRPMO O 151.2C, Drawdown Readiness Program, dated 12/21/12.
3. APPLICABILITY.
 - a. SPRPMO Elements. Except for the exclusions in Paragraph c., all elements of the SPRPMO will follow this Order in the conduct of drawdown operations as it pertains to their organizations.
 - b. DOE Contractors. Except for the exclusions in Paragraph c, the Contractor Requirements Document (CRD), Attachment 1, sets forth requirements to be applied to contractors responsible for management and operation of Department-owned and leased SPRPMO facilities.
 - c. Exclusions. None.
4. REQUIREMENTS.
 - a. Drawdown. All elements of the SPR, including Department of Energy (DOE), the Management and Operating (M&O) contractor, and subcontractors shall be ready to perform assigned activities to solicit, award, and begin distribution of SPR oil to the marketplace within 13 days of notice to drawdown and be capable of delivering oil at full drawdown rate within 15 days of said notice.
 - b. Drawdown Readiness Program. The SPR will develop and implement a program consisting of all planning, analysis, testing, training, operational, and reporting activities necessary to achieve the drawdown and distribution

at rates specified in the Level I Technical Performance Criteria and Level II Performance Criteria.

- c. Drawdown Readiness Program Plan. This M&O contractor shall develop and implement a plan for DOE approval that includes all elements for an effective Drawdown Readiness Program.

The plan shall describe how the Drawdown Readiness Program is executed and address actions that are necessary to provide reasonable confidence that the SPR sites can meet the Level I drawdown criteria.

- d. Drawdown Exercises. Site-specific drawdown capabilities shall be demonstrated by conducting Systems Test Exercises (STEs). Each SPR operational site shall conduct a maximum rate STE as directed by DOE. Sites not conducting physical (dynamic) STEs shall annually conduct tabletop STEs with all necessary elements and subcontractors participating. The M&O contractor will annually submit a 5-Year Systems Test and Exercise Schedule to DOE for approval. Full program (Eagle) exercises and function specific (Pride) exercises shall be conducted on an alternating year basis.
- e. Recovery Program. Recovery Program (RPX) exercises shall be conducted as directed by SPRPMO Order 434.1D, and included in the submitted 5-Year Systems Test and Exercise Schedule.

5. RESPONSIBILITIES.

- a. SPRPMO Project Manager. The SPRPMO Project Manager ensures that a Drawdown Readiness Program is developed and implemented.
- b. Assistant Project Manager (APM) for Maintenance and Operations. The APM for Maintenance and Operations, through the Director, Crude Oil, Drawdown Readiness and Cavern Integrity Division, is responsible within the SPRPMO and contractor organizations for the planning, definition, and overall coordination of operational activities affecting drawdown readiness and distribution. Such activities include not only operations at the SPR sites, but also direct support activities. Such support activities include Operations Planning; Integrated Logistics Support; Energy Management; Oil Logistics, Quality, and Accountability; Commercial Distribution Facilities; Cavern Integrity; Recovery; as well as responsibility for oversight of all drawdown activities.

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- c. APM for Systems and Projects. The APM for Systems and Projects is responsible for all design engineering and construction efforts in support of drawdown activities, to include information systems and telecommunications support.
- d. APM for Technical Assurance. The APM for Technical Assurance is responsible for monitoring and auditing drawdown activities within the SPRPMO and contractor organizations as they relate to quality assurance, security, emergency response, environmental, safety and health.
- e. APM for Management and Administration. The APM for Management and Administration is responsible for all financial, procurement, sales, personnel, training, and other administrative activities in support of drawdown and distribution activities within the SPRPMO and contractor organizations.

6. DEFINITIONS.

- a. Drawdown. The sale and distribution of SPR oil to the marketplace. It is accomplished through a system of processes, including the Federal Government's and its international partners' mutual response to an energy emergency, whether an international disruption or domestic. The SPR has a requirement to begin delivering oil within 13 days of being notified. Contracts to sell oil are awarded for both pipeline and marine delivery.
- b. Drawdown Readiness. The assurance that the SPR is ready to deliver oil at the rates and in time frames defined in the latest version of SPR Program Technical and Performance Criteria, Level I. The Drawdown Readiness Program includes all planning, analysis, testing, training, operational, and reporting activities necessary to achieve the referenced drawdown and distribution above.
- c. Drawdown Readiness Program. This program describes how a Drawdown Readiness Program is implemented and addresses actions that are necessary to provide reasonable confidence that the SPR sites can meet the Level I drawdown criteria. It encompasses all planning, analysis, testing, training, operational, and reporting activities necessary to achieve the drawdown and distribution criteria described in the criteria. This includes administrative (Eagle and Pride) and oil movement (STE) exercises to assure readiness is maintained. Formal exercise schedules are submitted and approved annually.

- d. Drawdown Readiness Program Plan. The Drawdown Readiness Program Plan is an M&O contractor developed, DOE-approved document identifying the activities necessary to ensure that an effective Drawdown Readiness Program can be implemented. The elements of this plan ensure that the SPR's readiness posture is sufficient to respond to the President's direction during a national energy emergency and drawdown at rates consistent with SPR Level I Technical and Performance Criteria within 13 days of setting Alert Level III.
7. REFERENCES.
 - a. SPR Program Technical and Performance Criteria, Level I.
 - b. SPR Performance Criteria, Level II.
8. CONTACT. The point of contact for this Order is the Team Leader, Drawdown Readiness Team, 734-4120.



Attachment 1

Contractor Requirements Document for Management and Operating Contractor

**CONTRACTOR REQUIREMENTS DOCUMENT
FOR MANAGEMENT AND OPERATING CONTRACTOR
SPRPMO O 151.2D, DRAWDOWN READINESS PROGRAM
Dated 7/17/14**

Regardless of the performer of the work, the contractor is responsible for complying with the requirements of this Contractor Requirements Document (CRD). The contractor is responsible for flowing down the requirements of this CRD to subcontractors at any tier to the extent necessary to ensure the contractor's compliance with the requirements.

The Management and Operating contractor shall:

1. Maintain Drawdown Readiness Program and associated Management Plans that define responsibilities to ensure an effective program is implemented.

The Drawdown Readiness Program shall include all planning, analysis, testing, training, operational, and reporting activities needed to achieve the drawdown and distribution of SPR oil in the time frames and at the rates defined in the latest edition of SPR Program Technical and Performance Criteria, Level I.

2. Maintain a formal means of Drawdown Exercises and Training. Based on the guidance within the Drawdown Readiness Program and Management Plans, include administrative and oil movement exercises that assure the SPR remains drawdown ready. Formal exercise schedules shall be submitted and approved annually.