

ENERGY FACILITY CONTRACTORS GROUP (EFCOG) CHARTER

Original Charter Approved on December 3, 1991

REVISION 7

Revised and Approved by EFCOG Board of Directors on December 7, 2010

Approved by EFCOG Members on February 25, 2011

REVISION 8

Revised and Approved by EFCOG Board of Directors on March 27, 2014

I. PURPOSE

The Energy Facility Contractors Group (EFCOG) is a self-directed group of contractors of U.S. Department of Energy (DOE) facilities. The purpose of the EFCOG is to promote excellence in all aspects of operation and management of DOE facilities in a safe, environmentally sound, secure, efficient, and cost-effective manner through the ongoing exchange of information and corresponding improvement initiatives.

II. OBJECTIVES

EFCOG has four primary objectives:

- A. Promote, coordinate, and facilitate the active exchange of successful programs, practices, procedures, lessons learned, and other pertinent information of common interest that have been effectively utilized by DOE contractors and can be adapted to enhance operational excellence and cost effectiveness for continual performance improvement by other DOE contractors.
- B. Identify and address issues of common interest (redundant with scope). Focus on active personal exchanges of management and technical information among contractors (redundant with scope).
- C. Utilize interfaces with organizations such as, but not limited to, the Nuclear Energy Institute (NEI), Electric Power Research Institute (EPRI), Institute of Nuclear Power Operations (INPO), Training Resources and Data Exchanges (TRADE), Association for Excellence in Reactor Operations (AERO), Nuclear Security Information Exchange (NSIE), to promote cooperation and interchange information, as appropriate, and minimize duplication of efforts.
- D. Interact with DOE in ways that produce value-added change for both DOE and the contractor community.

III. SCOPE

- A. Activities will focus on any aspect of DOE facilities that are pertinent to promoting excellence and cost efficiency and will include programmatic, management, operational, and technical areas such as Acquisition Management; Environment, Safety and Health; Quality Assurance; Issues Management; Risk Management; Operations; Maintenance; Security; Contract Reform; Performance-Based Contracts; and Contract Management. Other focus areas are as determined by the Board of Directors, most often in consultation with the DOE.

- B. EFCOG will facilitate the exchange of information through such vehicles as meetings, workshops, conferences, working groups, and written materials. Meetings, workshops, conferences, and working group activities will be conducted periodically on pertinent issues and open to member companies and the DOE.
- C. EFCOG will document the results of various member-sponsored efforts in reports and position papers.
- D. EFCOG will assume no financial, legal, or compliance responsibility for its members. Furthermore, it is not intended that EFCOG preclude or intervene in any way in the direct communication and interaction between any individual member company and the DOE.
- E. EFCOG will not engage in lobbying.
- F. EFCOG is not a contractor advocacy organization, and therefore, will not take or promulgate independent positions on issues, regulations, DOE Orders or other areas of contractor concerns. EFCOG will facilitate dialogue between DOE and member organizations for the purpose of understanding issues and initiatives of mutual interest.
- G. Participation in EFCOG-sponsored activities and support are allowable costs under the DOE operating contract of each member, as long as costs are maintained at a reasonable level, receive appropriate management review, and are compatible with contract requirements.

IV. ORGANIZATION

- A. All DOE prime or subcontractors are eligible for membership. Any other entity, if its participation in EFCOG, in the opinion of the Board of Directors, would benefit EFCOG shall be eligible for membership. The Board of Directors may approve Full or Associate membership for any entity when the Board determines that such membership would further the objectives of EFCOG.

- B. EFCOG shall be governed by an Executive Council made up of the representatives of the member companies and a Board of Directors elected by the Executive Council.

The Executive Council shall approve and amend, when necessary, the EFCOG Charter and Bylaws, and annually approve the budget that has been recommended by the Board of Directors.

Established budgets will cover only the costs of EFCOG's support services.

- C. The EFCOG Chair will appoint a nominating committee for recommending candidates to serve on the Board of Directors. The Executive Council will then elect members to serve as the Board of Directors.
- D. The Board of Directors will annually nominate a Chair, Vice Chair, and Vice Chair elect to the Executive Council for approval. Additional nominations will be sought from the Executive Council at the annual meeting prior to the election. These positions on the Executive Council shall also be the Chair, Vice Chair, and Vice Chair elect of the Board of Directors.

- E. Membership on the Executive Council shall be limited to one (1) representative per EFCOG member.

The representative shall be a senior executive empowered to make commitments for his/her organization. Commitments could include paying *pro rata* shares of EFCOG costs, authorizing travel, and/or sponsoring meetings.

Members should limit changing representatives to no more than once every twelve (12) months.

- F. The Board of Directors shall consist of at least fifteen (15), but no more than eighteen (18) individuals elected by the Executive Council. Only full members of the Executive Council are eligible to be on the Board of Directors. It is the intent that the Board of Directors, to the extent possible, will have representation from each of the major DOE program areas. The objective for the Board of Directors' composition shall be an appropriate mix and rotation of membership. Terms of office on the Board of Directors shall be for three (3) years, with members' terms expiring on a staggered basis.

To promote broad contractor participation in EFCOG, no single corporation should have more than one (1) person serving on the Board of Directors.

- G. If the need is determined by the Board of Directors, the Chair shall have the authority to obtain the services of, and supervise the activities of, necessary support staff for EFCOG, as authorized in budgets approved by the Executive Council.
- H. The Board of Directors is responsible for approving, as appropriate, the formation of various Working Groups and Subgroups to address issues. Subgroup approval is delegated to the Sponsoring Director of the associated Working Group.
- I. DOE may select senior members from the DOE to participate in meetings of the Executive Council and the Board of Director; however, they will have no voting rights. DOE personnel are welcome to participate in meetings, workshops, conferences, and working groups.
- J. The annual year for the EFCOG budget shall be the Government's fiscal year.

V. PROCESS

- A. Meetings of the Executive Council shall be held as needed, but at least annually. A fifty percent (50%) participation of the Executive Council members is necessary to constitute a quorum. Actions or activities (other than changes to the Charter or Bylaws) taken by the Executive Council shall require a majority vote of those present or represented by proxy. Executive Council members may appoint an alternate to attend meetings and represent their membership with full voting rights by executing and submitting a proxy statement to the Chair prior to the meeting. Changes to the EFCOG Charter or Bylaws shall require approval of eighty percent (80%) of the Executive Council membership.
- B. At least thirty (30) days' notice to the membership shall be provided for all meetings of the Executive Council.

- C. Teleconferences or meetings of the Board of Directors shall be held as often as needed, but at least quarterly. A two-thirds participation of the Board of Directors is necessary to constitute a quorum. A member of the Board of Directors may appoint an alternate to attend these meetings by informing the Chair. An alternate cannot vote without a proxy from the Director being represented. The Board of Directors will conduct EFCOG activities within the Executive Council approved budget and will prepare progress and budget reports to the Executive Council at their annual meetings. Issues undertaken by the Board of Directors on behalf of EFCOG shall be approved by a majority of the voting Directors.
- D. Working Groups shall meet as frequently as required to carry out the tasks assigned by the Board of Directors. If appropriate, and as requested by the Board of Directors, Working Groups shall provide reports to the Board of Directors to document Working Group results and recommended actions.
- E. With the exception of distributing workshop proceedings, meeting minutes, draft reports, or similar documentation, all official transmittals of EFCOG information to non-members or DOE will be approved by the Chair or his/ her designee before release.
- F. The Board of Directors, supported as necessary by Working Group members, shall provide all briefings, oral reports, or written reports to the DOE or other outside organizations.
- G. The Board of Directors shall provide an annual written report of completed and ongoing EFCOG activities to the Executive Council.
- H. At least every three (3) years, the Chair shall appoint a committee to assess the effectiveness, scope and direction of EFCOG, and will provide the Executive Council with a written assessment report.