

DOE Needs to Better Use End State Contracts to Achieve Intended Results

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A report to congressional committees

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What GAO Found

As of March 31, 2025, the Department of Energy’s (DOE) Office of Environmental Management (EM) awarded 57 task orders across nine contracts since implementing the End State Contract Model (ESCM) in fiscal year 2020. The ESCM uses task orders for contractors to achieve a stated outcome, or “end state,” to move sites toward completion, manage cost and schedule performance, and reduce DOE’s environmental liability. About half (29) included defined end states and the remainder were for support work or cleanup work that did not yet have a defined end state.

EM has not consistently achieved intended results for selected task orders GAO reviewed. Of the nine selected task orders completed as of March 31, 2025, three did not define end states and six defined them but were inconsistent in achieving them. For example, three task orders with defined end states reduced or carried over scopes of work post-award, resulting in contractors completing less work to achieve modified end states. The extent to which EM reduced costs for these task orders is unclear because of inconsistent documentation. Further, EM headquarters did not provide adequate oversight to ensure task orders achieved end states. Without this oversight, EM cannot assess how well it is meeting program goals.

EM did not fully use contract incentives to manage costs. As a result, post-award changes to task order requirements led to over \$500 million in cost growth.

Selected Task Orders with Greatest Cost Growth, as of March 31, 2025

Dollars in thousands

Cleanup site	Task order (TO)	Total cost growth	Total cost growth, percent
Idaho National Laboratory	TO 3 Integration and Mission Continuity (Phase 1)	\$42,054	6.29%
	TO 3.2 Integration and Mission Continuity Hybrid Task Order (Phase 2)	\$75,553	11.74%
Nevada National Security Site	TO 2 Environmental Operations	\$75,793	149.61%
Oak Ridge Reservation	TO 3 End States Phase-In	\$216,661	45.17%
	TO 6-1 Y-12 Operations and Cleanup End States	\$23,871	6.05%
	TO 8-1 Environmental Management Disposal Facility Early Site Prep	\$1,559	6.48%
	TO 9-2 Outfall 200 Mercury Treatment Facility Construction and Commissioning End State	\$25,811	138.89%

Source: GAO analysis of Federal Procurement Data System and Strategic Integrated Procurement Enterprise System data and Office of Environmental Management information. | GAO-26-107745

Note: Dollar amounts are rounded to the nearest thousand. For the purposes of this review of task orders, GAO analyzed cost growth based on increases in contract value.

EM’s task orders have different incentives for cost performance, some of which can reduce risk of cost growth. Of the task orders reviewed, those types that put more risk on the contractor generally had the lowest cost growth. EM more frequently used contract types that put more risk on EM, and these experienced the greatest cost growth. Until EM takes steps to address task orders’ cost performance, EM may miss opportunities to better manage cost growth.

Why GAO Did This Study

EM is responsible for cleaning up 15 sites across the U.S. that are contaminated from decades of nuclear weapons production and energy research. To conduct this work, EM has awarded ESCM contracts since fiscal year 2020. GAO previously found that EM experienced challenges implementing end state task orders and that stakeholders had concerns about fair pricing for cleanup work because of lack of competition among contractors. Since 1990, GAO has designated DOE contract management as a high-risk area.

A congressional committee report includes a provision for GAO to evaluate EM’s implementation of the ESCM. This report examines (1) the status of ESCM task orders issued since fiscal year 2020 and the role of contractors in defining end states, (2) the extent to which selected ESCM task orders have achieved intended results, and (3) the extent to which EM is using selected ESCM task orders to manage contract cost performance.

GAO reviewed data for all ESCM task orders awarded as of March 31, 2025, evaluated contract documents for 19 selected task orders, and interviewed EM officials. GAO also conducted site visits to the Hanford and Savannah River cleanup sites.

What GAO Recommends

GAO is making six recommendations to DOE, including to provide better oversight to help ensure sites define and achieve end states and to take actions to improve the cost performance of task orders. DOE concurred with five out of six recommendations and partially concurred with one recommendation, as discussed in the report. GAO continues to believe DOE should fully implement all recommendations.