



## Department of Energy

Washington, DC 20585

February 26, 2003

Mr. Frederick A. Tarantino

[ ]

Bechtel Nevada

2621 Losee Road

North Las Vegas, NV 89030-4129

Subject: Enforcement Letter - Bechtel Nevada Authorization Basis Noncompliances

Dear Mr. Tarantino:

This letter refers to the Department of Energy's (DOE's) review of the facts and circumstances related to certain nuclear safety noncompliances during 2002 at the Nevada Test Site. These noncompliances were identified in the process of conducting a limited Price-Anderson Amendments Act (PAAA) Program Review of Bechtel Nevada during November 14-15, 2002, by DOE's Office of Price-Anderson Enforcement (OE), in coordination with DOE's National Nuclear Security Administration Nevada Site Office (NNSA/NSO). These matters are being called to your attention through this Enforcement Letter since these noncompliances had not been handled in accordance with DOE's PAAA enforcement policy and procedures. Of particular concern is that many of the deficiencies in identifying, tracking, reporting, and correcting nuclear safety noncompliances identified in our limited review had been brought to Bechtel Nevada's attention by OE in November 2000 following a PAAA Program Review. It is apparent that little, if any, action was taken in response to that Review's findings.

Based on our limited program review, OE has concluded that potential violations of 10 CFR 830 Subpart A, "Quality Assurance Requirements," occurred. Frankly, we had considered taking formal enforcement action given the extent of the weaknesses in your PAAA program that resulted in the failure to identify these nuclear safety noncompliances. However, due to the low potential safety significance of these noncompliances, I am issuing this Enforcement Letter instead, with the expectation that it will result in improvement of Bechtel Nevada's management practices to better identify, report, and correct nuclear safety noncompliances in a timely manner.

DOE noted numerous examples of Bechtel Nevada's nuclear safety noncompliances that are below DOE's Noncompliance Tracking System (NTS) reporting thresholds but are not being properly managed. Many Quality Assurance and radiological deficiencies that clearly constitute noncompliances with DOE nuclear safety requirements are listed in radiological awareness reports, deficiency reports, issue reports, and other sources. However, these are not identified as PAAA noncompliances, tracked as such in an

internal tracking process, and receiving appropriate priority and resolution. Proactive behavior in tracking and resolving such deficiencies is clearly expected by DOE, as

noted in DOE's 10 CFR 820, Appendix A, "General Statement of Enforcement Policy," and in OE's Operational Procedures, in order to receive mitigation discretion for these noncompliances should any of them result in an enforcement action.

Until shortly before OE's site visit, Bechtel Nevada had been placing quality-related problems in a deficiency reporting process to manage their resolution as required by 10 CFR 830.122. Such problems are now being placed in an issue reporting process. However, the procedures that govern this process do not include steps, when a problem is identified, to evaluate whether there is an underlying repetitive or programmatic issue. Furthermore, no effective trending process is being implemented to identify such problems. Lack of this level of scrutiny is not in compliance with 10 CFR 830.122 requirements to "[e]stablish and maintain processes to detect and prevent quality problems." Repetitive and programmatic problems are also quality problems, and an effective means to identify them, in addition to discrete issues, is necessary.

From a review of DOE's Occurrence Reporting and Processing System (ORPS) database, OE noted three Bechtel Nevada reports over the past several months that involved noncompliances with Authorization Basis requirements. The ORPS reports were classified as Facility Condition-Unusual, and thus these noncompliances met NTS reporting thresholds. DOE's expectation on reporting into NTS is clear, and these issues could have been readily reported to the NTS within days of ORPS classification. However, at the time of OE's November 2002 site visit, none of the three had been reported into the NTS. Failure to comply with an Authorization Basis requirement represents a violation of 10 CFR 830.122 Quality Assurance requirements concerning Work Processes. The noncompliances noted by OE include:

- Exceeding the quantity limit for unvented drums that may be stored at the [ ] Building (14 were found versus a limit of 11), identified September 19, 2002. (ORPS report NVOO--BN-NTS-2002-0014) This was subsequently reported into the NTS (NTS-NVOO--BNOO-NTS-2003-0001) on January 8, 2003, about four months after identification.
- Exceeding the administrative limit on nuclear material in a drum at the TRU Pad, identified October 23, 2002. (ORPS report NVOO--BN-NTS-2002-0015)
- Violations of required steps in the authorization basis to ensure operability of Waste Examination Facility HEPA filters, resulting in a positive USQ. This condition was identified November 19, 2002. (ORPS report NVOO--BN-NTS-2002-0016)

Bechtel Nevada is a subsidiary of a preeminent engineering and technical service corporation that touts its excellence in the nuclear and radiological safety fields. As such, I would have expected that your organization would serve as a model for the rest of the complex in the formulation and implementation of its PAAA program for

identifying, reporting and correcting nuclear safety noncompliance issues. Therefore, it is especially disappointing that your organization has, until now, maintained such poor practices in these areas, that we were unable to identify even a single significant strength in your PAAA program, and that many of the findings from the limited program review recently completed were repetitive of findings that were made two years ago. These weaknesses in your program serve neither your organization nor DOE well toward the goal of improving nuclear safety performance.

Therefore, DOE will closely monitor, in conjunction with NNSA/NSO, Bechtel Nevada's performance in correcting its processes for effectively identifying nuclear safety noncompliances, PAAA noncompliance screening and reporting, appropriately reporting noncompliances into DOE's NTS, correcting NTS-reported issues in a timely manner, and properly tracking and correcting those noncompliances that are below NTS reporting thresholds. DOE may consider enforcement action at some point in the future if it finds that these processes have not been effectively corrected.

No response to this letter is required. Please contact me at (301) 903-0100, or have a member of your staff contact Mr. Steven Zobel of my staff at (301) 903-2615, should there be any questions concerning this letter.

Sincerely,



Stephen M. Sohinki

Director

Office of Price-Anderson Enforcement

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