

December 19, 2000

Mr. Paul J. Gretskey
[]
International Technology Corporation
P.O. Box 93838
Las Vegas, NV 89193

Subject: International Technology Corporation Price-Anderson Amendments Act
Program Review

Dear Mr. Gretskey:

On November 2, 2000, the Office of Price-Anderson Enforcement (EH-Enforcement) conducted a review of International Technology Corporation (ITC) Price-Anderson Amendments Act program (PAAA) activities. As part of this review, we evaluated your process to screen noncompliances for applicability under the PAAA and for reporting and tracking in the Noncompliance Tracking System (NTS) and internal resolution processes. Review activities included onsite discussion with cognizant personnel and review of applicable documentation prior to and subsequent to the onsite visit.

Our review noted many positive aspects of your PAAA screening and reporting process, as follows: (1) the process covered by an appropriately detailed formal procedure; (2) the reporting level of the PAAA Coordinator directly to the senior ITC manager; (3) the breadth of sources being reviewed for potential PAAA noncompliances and the screening of all NCR's by the Coordinator; (4) the process for making proper determination on NTS reportability; (5) performance of cause determinations on all PAAA noncompliances (NTS and internally tracked) as well as all NCRs; (5) verification of corrective action completion by both the PAAA Coordinator and the Quality Assurance organization; (6) routine feedback to managers on coming due dates and overdue responses to corrective actions; and (7) senior management routine monitoring of the status of corrective actions.

However, our review found your PAAA noncompliance screening and reporting process to be weak in some key areas. Specifically, we noted that the threshold appeared too high for consideration of what constitutes a noncompliance, for example, applying a criterion that the issue must be serious or have the potential for immediate harm, or must be systemic or programmatic, to be considered a noncompliance with the Quality Assurance (QA) rule. Also your approach of judging that a deficiency is not a noncompliance if it meets the intent of a Rule requirement or meets the intent of a procedure is not appropriate.

Our review also noted some issues with respect to implementation of QA rule requirements. Your program is not using 10 CFR Part 830.120 as the controlling authority for the QA program at nuclear facilities. It is not referenced in the PAAA

Program procedure as a requirement for screening potential noncompliances. From discussions, it appears that you are inappropriately using DOE Order 414.1A as the controlling requirement for nuclear safety QA.

Our review did note some positive aspects of your QA and Radiation Protection rule implementation efforts. These positive aspects included (1) a single process for quality problem resolution; (2) the breadth of problems that are being identified and placed in the NCR process for management of resolution; (3) use of a comprehensive checklist for the performance of management safety assessments; and (4) the conduct of a comprehensive bioassay program assessment.

Failure to correct the above noted deficiencies associated with the PAAA screening and reporting program may result in a reduction or loss of mitigation as described in the DOE Enforcement Policy (10 CFR 820 Appendix A) in any future ITC enforcement action. Additionally, failure to correct the rule implementation weakness with respect to assuring compliance with the requirements of 10 CFR Part 830.120 could result in future enforcement action. Details of the EH-Enforcement review are provided in the enclosure. No reply to this letter is required. However, DOE will continue to monitor performance in these areas and may schedule future reviews as necessary to provide confidence in your PAAA screening and reporting program. If you have any questions, please contact Sharon Hurley of my staff at (301) 903-0110.

Sincerely,



R. Keith Christopher

Director

Office of Price-Anderson Enforcement

Enclosure: Enforcement Program Review

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ENCLOSURE

PRICE-ANDERSON AMENDMENTS ACT PROGRAM REVIEW FOR INTERNATIONAL TECHNOLOGY CORPORATION

I. Introduction

On November 2, 2000, the Office of Price-Anderson Enforcement (EH-Enforcement) performed a review of the program used by International Technology Corporation (ITC) at the Nevada Test Site to identify, correct, and report potential noncompliances to DOE Rule nuclear safety requirements. This review included an evaluation of site processes to screen noncompliances for applicability under the Price-Anderson Amendments Act (PAAA) and for reporting and tracking in the Noncompliance Tracking System (NTS) and internal tracking systems. As part of this review, EH-Enforcement also selected several events and/or noncompliances identified in the NTS, Occurrence Reporting Processing System (ORPS), and ITC assessments to evaluate how these were screened for potential PAAA noncompliance issues and for NTS reportability. The results of the review are summarized below.

II. PAAA Identification and Screening of Potential Noncompliances

A. Procedure Requirements – Identification

ITC has moved to a single deficiency reporting and resolution process, namely the Nonconformance Report (NCR) process. This process is controlled by procedure Nonconformances, SQP No. ITC-0202 (Rev. 1) dated November 9, 1998. All deficiencies, quality problems, assessment findings, and nonconformances are reported into the NCR process. All ITC personnel are responsible for identifying and reporting such conditions into the NCR process. Any worker may initiate an NCR. Quality Assurance personnel review, validate, and track issues in the NCR process. All NCRs are routed to the PAAA Coordinator for screening of potential PAAA issues.

The ITC PAAA screening and reporting process is defined and described in site procedure *Price-Anderson Amendments Act Noncompliance Determination and Reporting*, SQP No. ITC-0125, (Rev. 1) dated August 8, 1999. The procedure establishes the position of an ITC PAAA Coordinator, with responsibility for guidance and coordination of the PAAA program, including initial screening of identified issues. The process of identifying potential PAAA issues for further screening is made easier to manage, since ITC uses a single process for quality problem resolution.

B. Procedural Requirements – Screening

As noted, procedure ITC-0125 establishes that the ITC PAAA Coordinator will perform the initial screen of problems and conditions to determine if the item is potentially a PAAA noncompliance. If the Coordinator screens the item as not being a PAAA noncompliance, the documentation is then filed and the issue correction accomplished through the routine NCR processing. If the Coordinator concludes that the issue may be a PAAA noncompliance, the evaluation documentation is then forwarded to the PAAA Review Committee for processing.

Procedure ITC-0125 also establishes a PAAA Review Committee with responsibility for evaluating Coordinator recommendations on compliance determination and reportability. The PAAA Review Committee includes the ITC Program Manager, PAAA Coordinator, Health & Safety Manager and Radiological Control Manager. The ITC Program Manager, the senior ITC management individual has final approval authority on issue classification and reporting, based on advisement from the other members of the PAAA Review Committee.

1. PAAA Coordinator

As noted, procedure ITC-0125 establishes responsibilities for the position of PAAA Coordinator. These include providing guidance and coordination of PAAA program implementation, including screening, reporting, and correcting PAAA issues. The Coordinator serves on the PAAA Review Committee, enters information into the DOE Noncompliance Tracking System (NTS), distributes PAAA-related communications, and maintains the records for noncompliances reported into the NTS. The ITC PAAA Coordinator reports directly to the senior ITC manager, namely the Program Manager.

2. Methods for Identifying Potential PAAA Programmatic Issues

As part of the screening of potential PAAA issues, when an issue is judged to be a potential PAAA noncompliance, it is screened using Attachment B of Procedure ITC-0125. Section 5 of Attachment B calls for the Review Committee to determine whether the potential noncompliance represents one of several similar potential noncompliances, such that it may indicate a repetitive or programmatic problem. If that is the case, the issue is then identified as such and reported into the NTS.

Additionally, procedure ITC requires that on an annual basis, the PAAA Coordinator and RadCon Manager review incidents and issues with PAAA implications that may indicate an adverse trend in quality or radiological safety. A report of this review is prepared and sent to the PAAA Review Committee for review. Any conclusions on potential repetitive or programmatic problems from this review are then processed in accordance with ITC-0125 as described above.

C. Findings/Conclusions

Our review identified a number of positive aspects of this part of the ITC PAAA screening and reporting process:

1. The PAAA screening and reporting process is well established and appropriately detailed in a formal procedure,
2. The reporting level of the PAAA Coordinator directly to the senior ITC manager, the Program manager,
3. The breadth of sources being reviewed for potential PAAA noncompliances and the screening of all NCR's by the Coordinator, and
4. In addition to routine review for potential repetitive and programmatic issues as each issue is screened, conducting an annual review by the PAAA Coordinator and the RadCon Manager for such problems.

The EH-Enforcement team found that ITC did have certain weaknesses in their implementation of a PAAA screening and reporting process, namely:

5. The threshold appeared too high for consideration of what constitutes a noncompliance with the QA Rule, in particular, an issue must be serious or had the potential for immediate harm, or needed to be systemic or programmatic, to be considered a QA noncompliance.
6. ITC was improperly using an approach of judging that a deficiency is not a noncompliance if it meets the intent of a Rule requirement, even if it strictly violates the requirement. This was also applied to procedure violation determinations, when it was inappropriately judged that the procedure was met by meeting the intent of the procedure while the procedure was strictly not met.

III. Evaluation for Reportability

As noted, procedure ITC-0125 establishes that the ITC Coordinator may make an initial recommendation on reportability of potential PAAA issues. The PAAA Review Committee reviews this recommendation, and the ITC Program Manager makes the final determination on NTS reportability, based on input from other Committee members. Upon determination of the appropriate reporting level by the Program Manager, the ITC PAAA Coordinator has responsibility for entering the noncompliance onto the appropriate tracking system (DOE's NTS or the ITC internal tracking system). The ITC-0125 criteria for NTS reporting appear to comport with DOE's guidance in *Identifying, Reporting, and Tracking Nuclear Safety Noncompliances under Price-Anderson Amendments Act of 1988*, June 1998.

This review found as a positive that the PAAA Review Committee and Program Manager were apparently making the proper determination on NTS reportability for issues that were found to be PAAA noncompliances.

IV. Cause Determination

Procedure ITC-0205 requires that the NCR be validated by the Quality Assurance organization, and forwarded to the responsible manager who will assign a qualified individual to disposition. The assigned individual, among other things, is required to enter what they believe to be the root cause into the NCR report form for all valid NCRs.

Additionally, procedure ITC-0125 requires that the responsible project management for all noncompliances perform an appropriate cause analysis, whether or not they are concluded to be reportable into NTS.

A strength of the ITC program is that cause determinations are performed for all valid NCR's and for all PAAA noncompliances (NTS and internally tracked).

V. Corrective Action Closure

Procedure ITC-0125 establishes the steps to be followed to track closure of corrective actions, and to conduct independent verification of completion of corrective actions. ITC uses a single database, referred to as the *Q-Pulse* software, to track closure of corrective actions for all noncompliance issues. Personnel responsible for completing a corrective action are required to submit documentation and objective evidence of completion of corrective actions for NTS items to the PAAA Coordinator. Routine feedback is provided to managers on coming due dates and overdue responses to corrective actions. Additionally, senior IT management receives a report on the status of corrective actions.

The PAAA Coordinator performs an initial verification of completion of corrective actions for PAAA noncompliances. ITC-0125 also requires that independent verification of closure be performed for all NTS issues. This is most typically performed by the Quality Assurance organization.

The extent of communication and tracking of corrective actions status, the senior management monitoring of the status of corrective actions, and the two-level verification of completion of corrective actions are considered strengths of the process.

VI. Rule Implementation Issues

Our review also noted some issues with respect to implementation of QA rule requirements. Your program is not using Part 830.120 as the controlling authority for the QA program at nuclear facilities. It is not referenced in the PAAA Program

procedure as a requirement for screening potential noncompliances. From discussions, it appears that you are inappropriately using DOE Order 414.1A as the controlling requirement for nuclear safety QA. The EH-Enforcement team noted during the site visit that Part 830.120 has general applicability to activities pertaining to nuclear facilities, as noted in GC Interpretation 95-01. It supersedes any authority or requirements in DOE Orders, even if the Order and not the Rule are referenced in contractual documents.

Additionally, our review noted some positive aspects of your QA and Radiation Protection rule implementation efforts. Using a single process for quality problem resolution, namely the NCR process, enhances the management of quality improvement. The breadth of problems that are placed into the NCR process, such as deficiencies, noncompliances, equipment and process problems, assessment findings, and issues raised by any employee, is an effective approach to broadly address the organization's needs and to evaluate for potential programmatic issues. Further, the use of a single software tracking tool for all such deficiencies and their related corrective actions that is accessible by all employees, namely the *Q-Pulse* system, ensures an effective process to track and manage correction of problems. We also noted that a comprehensive checklist was being used for the performance of routine management safety inspections. Such a single and detailed checklist ensures a comprehensive and consistent review for safety in the workplace, including compliance with radiological controls.

VII. Bioassay Program

In response to DOE's Enforcement Guidance Supplement letter of November 1998 and due to the revision to Part 835, ITC conducted a comprehensive assessment of their Bioassay Program in late 1998 and early 1999. That assessment identified a number of weaknesses in the program, including the need for (1) more explicit internal guidance on the necessary internal dose detection, (2) evaluation and controls to be implemented, (3) improved compliance with the program in the field, and (4) improved self-assessment of the program. It was concluded that the weaknesses had not led to individuals exceeding annual total dose limits of Part 835. An NTS report was filed by ITC (NTS-NVOO- -ITNV-ITNV-1999-0002) on March 31, 1999, documenting the noncompliance findings and the corrective actions to address these weaknesses. All corrective actions were completed by February 28, 2000, and verified as completed by DOE-NVOO. The Office of Enforcement on August 1, 2000, closed the NTS report. From the EH-Enforcement team review during this site visit, it appears that actions by ITC were conducted approximately within the time limit of the enforcement moratorium outlined in the Office of Price-Anderson Enforcement letter of November 24, 1998.

VIII. Conclusion

The above summarizes EH-Enforcement's review of the PAAA Program at IT-Nevada and the specific weaknesses identified by the EH-Enforcement Review team during

its visit of November 2, 2000. The EH review of the IT PAAA Program found the program to be well established, formalized by procedure, and generally in conformance with DOE expectations and guidance. Some improvements would be appropriate, based on the weaknesses noted in this report.

The DOE Enforcement Policy (10 CFR 820 App. A) provides positive incentives for contractors who identify, report, and promptly and comprehensively correct nuclear safety noncompliances. The above deficiencies may affect the confidence of DOE in the contractor's PAAA Program and could have an impact on the application of enforcement discretion in any future IT-Nevada enforcement action.