



FOR IMMEDIATE RELEASE
May 27, 1999

NEWS MEDIA CONTACT:
Jeff Sherwood, 202/586-5806
Eric Olds, 509/372-8656

EH - 5/27/99

Department of Energy Fines Fluor Daniel Hanford for Nuclear Safety Violations

Secretary Richardson Issues DOE's First Compliance Order

Secretary of Energy Bill Richardson today announced that the Department of Energy (DOE) has issued a civil penalty of \$330,000 to Fluor Daniel Hanford Inc. (FDH), managing contractor of the department's Hanford site in Washington, for violations of nuclear safety requirements. In addition to the proposed penalty -- the largest in the history of the Price-Anderson Enforcement Program -- Secretary Richardson issued the department's first Compliance Order with specified milestones to ensure that corrective actions are effective and taken promptly.

The violations took place at the Hanford Spent Nuclear Fuel Project, a project to stabilize and move more than 2,300 tons of spent nuclear fuel from the aging K-Basins storage pools to new, more secure storage facilities. DOE investigators found that contractors at these facilities, now under construction, repeatedly failed to follow the procedures they had established in their own safety plans. Such procedures -- termed "quality assurance" -- ensure that operations that affect nuclear safety are conducted within appropriate safety margins that protect DOE workers and members of the public from potential radiological harm. DOE contractors write their own quality assurance plans based on broad objectives defined by the department.

"The success of the Spent Nuclear Fuel Project is critical to the department's efforts to protect the Columbia River and it must be done safely," said Secretary Richardson. "We took this action because we have to make sure, from the outset, that we do things right. That is ultimately in the best interest of the Hanford community and the taxpayer."

Only the Secretary of Energy can issue a Compliance Order. The order directs FDH to make improvements and corrections by specified dates. Failure to comply with the order could result in additional civil penalties at up to \$110,000 per day for each violation.

Secretary Richardson also expressed his appreciation to the federal staff in the Richland Operations Office who initially brought the issues to the attention of the department's Office of Environment, Safety and Health. "We rely on our federal field personnel who work with the contractors every day to make the DOE enforcement program effective," he said. "In this case, the Richland staff should be commended for their initiative and vigilance."

The proposed penalty and compliance order result from long-standing and recurring failures of FDH to meet quality assurance requirements in several areas, such as work process controls, subcontractor qualification, subcontractor oversight and project design. In one case, FDH allowed a subcontractor to continue work for a year after it knew that the subcontractor was providing inferior safety-related services. In another case, design changes for safety-related equipment had not been controlled or approved. Further, FDH failed to implement a process for identifying such mistakes and preventing their recurrence. Additional issues are outlined in the Preliminary Notice of Violation.

A second part of the proposed civil penalty involves the failure of FDH personnel to provide accurate and complete information to DOE regarding a separate investigation. While this did not result in an immediate safety issue, DOE issued the penalty because it relies on the accuracy and completeness of information provided by its contractors when making regulatory decisions.

The Preliminary Notice of Violation will become final in 30 days unless the violations are denied with sufficient justification. The Price-Anderson Amendments Act directed the department to develop and enforce nuclear safety rules with its contractors. Additional information on this action and other aspects of the enforcement program will be available via the Internet at <http://tis-nt.eh.doe.gov/enforce/>.

-DOE-

R-99-130



At a Glance ■ News & Info ■ People & Pages
Science Education ■ Content Map ■ Search

We'd like your comments or suggestions about the [U.S. DOE Home Page](#) | [Disclaimer](#) | [Comments to Webmaster](#) |

Updated: 05/28/99