

March 16, 2000

Mr. M.C. Hughes
[]
Bechtel Hanford, Inc.
3350 George Washington Way
Richland, WA 99352

Subject: Bechtel Hanford, Incorporation Enforcement Program Review

Dear Mr. Hughes:

During the period February 2-3, 2000, the DOE Office of Enforcement and Investigation (EH-Enforcement) conducted a review of the Bechtel Hanford, Inc. (BHI), Price-Anderson Amendments Act (PAAA) Program. This review included an evaluation of site processes to screen noncompliances for applicability under the PAAA, for reporting and tracking in the Noncompliance Tracking System (NTS) and internal tracking systems, and for correcting deficiencies in a timely manner. Our review activities included onsite discussion with cognizant personnel and review of applicable documentation.

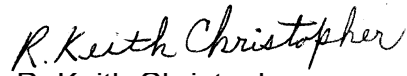
Our review generally found your PAAA Program to be well established and implemented. Specifically, we observed that (1) your program is implemented in accordance with long-standing formal procedures; (2) key positions are staffed with knowledgeable personnel; (3) noncompliance tracking is performed in one comprehensive system; (4) BHI management monitors the status of open issues; (5) records of the review and screening of noncompliances are maintained; and (6) NTS reporting thresholds are appropriate.

Our review did identify several deficient areas requiring program improvement. Specifically, we noted your screening procedures establish criteria for the identification of PAAA noncompliances that are not consistent with DOE guidance. Our review also noted examples where potential noncompliances appeared inappropriately screened. Interviews with your staff, however, identified they were aware of these procedural deficiencies and were in the process of correcting them.

Failure to correct these deficiencies could result in a reduction or loss of mitigation as described in the DOE Enforcement Policy (10 CFR 820 Appendix A) for any future BHI enforcement actions. Details of the EH-Enforcement review are provided in the enclosure.

No reply to this letter is required. Should you have any questions concerning our review please contact Mr. Tony Weadock of my staff at (303) 966-5975.

Sincerely,



R. Keith Christopher

Director

Office of Enforcement and Investigation

Enclosure

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ENCLOSURE

EH-ENFORCEMENT REVIEW OF THE BECHTEL HANFORD PRICE-ANDERSON AMENDMENTS ACT PROGRAM

I. Introduction

During the period February 2-3, 2000, the DOE Office of Enforcement and Investigation (EH-Enforcement) conducted a review of the Bechtel Hanford, Inc. (BHI), Price-Anderson Amendments Act (PAAA) Program. This review included an evaluation of site processes to screen noncompliances for applicability under the PAAA, for reporting and tracking in the Noncompliance Tracking System (NTS) and internal tracking systems, and for correcting deficiencies in a timely manner. Our review activities included onsite discussion with cognizant personnel and review of applicable documentation.

II. PAAA Program Overview

BHI has established a formal PAAA Program infrastructure through implementation of procedures and assignment of experienced personnel to key positions. The procedures adequately identify the responsibilities of these key positions and establish several levels of review for identifying potential noncompliances. Interviews with BHI personnel and review of the BHI noncompliance database indicate that the PAAA Program is well established.

BHI procedure 2.12, Rev. 0, *Identification, Tracking, and Reporting of Price Anderson Amendment Act Non-Compliance*, dated 5/15/96, defines and describes PAAA Program implementation. Review of procedure 2.12 identified it to be out of date with the current (June 1998) EH-Enforcement guidance in this area with respect to terminology and NTS threshold reporting criteria. Discussion with BHI staff indicated this area would be addressed in the next procedural revision.

Our overall assessment of the PAAA Program was that it is generally effective and consistent with DOE guidance. The following positive attributes were identified:

- ◆ The program is well established and implemented with formal procedures.
- ◆ The program is staffed with knowledgeable and effective personnel.

- ◆ The decision process related to NTS reporting appears consistent with DOE guidance.
- ◆ Records of the decision/screening process for potential PAAA noncompliances are maintained and auditable.
- ◆ All PAAA noncompliances are tracked in a single formal database called the Corrective Action Tracking Systems.
- ◆ BHI management routinely monitors the status and effectiveness of corrective actions.

Several areas of weakness were identified during this review, however, and are discussed in the following sections.

III. Identification and Screening of Potential Noncompliances

BHI Procedure 2.12 establishes a normal and reasonable set of information sources for review of potential noncompliances. These sources are screened for an event or condition by a Functional Manager, who then informs the PAAA Coordinator. The PAAA Coordinator makes the initial screening evaluation of whether the issue or event involves a potential PAAA issue. If a potential PAAA issue is identified by the Coordinator, it is forwarded to an Interpretive Authority (functional expert) to determine if a noncompliance with PAAA requirements exists. If yes, the noncompliance is placed into the Corrective Action Tracking System (CATS).

BHI has established the following procedures to provide guidance and requirements for determining PAAA noncompliances:

- ◆ BHI-SH-02, Procedure 2.1.14, *Determining Radiological PAAA Noncompliances*
- ◆ BHI-CQP-01 Procedure 2.8, *Evaluation of Potential Noncompliances with the QA Rule*.

EH-Enforcement review of these procedures identified the following concerns:

- ◆ Procedure 2.1.14 allows for consideration of the immediacy of corrective actions in determining whether a PAAA noncompliance has occurred. DOE expectations are that the determination of noncompliance be made independently of corrective actions. Discussion with BHI personnel indicated they only applied this exclusion in very limited circumstances.
- ◆ Attachment 1 of Procedure 2.8 provides a table with screening criteria for determining whether a potential quality assurance (QA) rule noncompliance exists. Review of the criteria identified they narrowly focus the scope of potential

noncompliances to events or conditions directly related to safety class or safety significant systems or structures, or authorization basis issues. This is not representative of the scope of the QA rule and, if used as the sole decision process, would not adequately identify QA rule noncompliances. Discussion with BHI personnel indicated they were currently using a broader evaluation basis for potential QA noncompliances than was represented by the table, and a revision to the procedure to expand the scope of the attachment was in progress.

BHI Procedure BHI-MA-02, 2.1, *Corrective Action Request (CAR)*, identifies requirements for employees to report deficiencies (including procedural noncompliances) to BHI management using the CAR process. EH-Enforcement reviewed documentation associated with the BHI PAAA screening process and identified the following instances in which noncompliance determinations appeared inappropriate or procedural violations were not formally identified using the CAR process:

- ◆ Review of the database of potential radiological PAAA issues identified several examples in which personnel violated established radiological boundaries. These events were screened as not being potential PAAA noncompliances. Discussion with BHI personnel indicated that if the involved personnel were not BHI personnel or their subcontractors, they did not consider the events to be potential BHI noncompliances. This conclusion is inconsistent with DOE's expectation that the contractor responsible for the radiological boundary and controls should identify and track violations of those controls as PAAA noncompliances.
- ◆ During June 1999, a radiological event occurred at the 105B Reactor Facility, which involved several procedural noncompliances. These noncompliances were not initially reported as a CAR by project personnel, but were instead only identified several weeks later as part of a BHI investigation.

Review of documentation related to the screening of potential QA noncompliances did not identify any significant areas of concern.

IV. Screening of Noncompliances for NTS Reportability

The BHI process for screening PAAA noncompliances for NTS reportability includes two levels of review. The process starts with an initial determination by the PAAA Coordinator of the noncompliances that represent a Potentially Significant Violation. The Potentially Significant Violations are forwarded to a PAAA Review Committee for review. If the PAAA Committee confirms the PAAA Coordinator decision, the noncompliance is reported into the NTS. Discussion with representatives of the PAAA Review Committee identified they only review the potential NTS reportable issues that are forwarded by the PAAA Coordinator. EH-Enforcement review of the database of non-NTS reported noncompliances indicated the BHI decision process for reportability appears to be consistent with DOE guidance.

V. Noncompliance and Corrective Action Closure

BHI has established formal processes for tracking noncompliances and providing periodic reporting to management on the status of corrective actions. BHI procedure No. BHI-MA-02, 2.2, *Corrective Action Tracking System (CATS)*, provides requirements for tracking of noncompliances in the CATS database. This procedure also requires a monthly status report to BHI management as well as a quarterly report on the status of all open adverse conditions to the president of BHI. This procedure also establishes that corrective actions are verified as required although no criteria are provided to establish when verification is required. EH-Enforcement review of this area indicated that BHI was performing effectively; no specific deficiencies were identified.

VI. Bioassay Program

On March 30, 1999, BHI filed an NTS report (NTS-RL--BHI-GENAREAS-1999-0002) identifying inconsistencies in the implementation of their bioassay program. The inconsistencies were identified as a result of several BHI self-assessments of their bioassay program. The NTS report was filed within the time frame of the "bioassay moratorium" established by EH-Enforcement, in which enforcement discretion would be exercised for identified bioassay deficiencies meeting established conditions.

Corrective actions associated with the NTS report have been reported as complete and the report itself has been closed. EH-Enforcement reviewed a sample of CARs associated with the corrective actions and verified them to be approved and closed.

Discussion with BHI staff indicated they have determined their employees are not "likely" to receive 100 millirem in a year from radionuclide intakes and consequently do not require routine bioassay monitoring in accordance with 10 CFR 835.402(c) (Individual Monitoring). BHI is currently implementing bioassay monitoring but considers this to be a discretionary or confirmatory monitoring program. Due to time constraints, a detailed EH-Enforcement review of the technical basis for BHI's determination was not performed. EH-Enforcement noted, however, that air monitoring deficiencies such as those observed during the June 1999 105B event may affect the allowance for respiratory protection used as a basis for such determinations.

VII. Conclusion

The above summarizes EH-Enforcement's review of the BHI PAAA Program at the Hanford site during the period February 2-3, 2000. The review identified that the BHI PAAA Program is well established and, with the completion of proposed procedural changes as discussed by BHI personnel, would generally meet DOE expectations and guidance. The review also identified deficiencies in the area of identification and screening of PAAA noncompliances. These deficiencies should be addressed to receive mitigation consideration in any future enforcement deliberation and to ensure that nuclear safety problems receive appropriate recognition and action. Any actions

taken to address these deficiencies should be appropriately coordinated with responsible DOE Field and Program Office management.