

**Testimony of Jeffrey Allison**  
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**Contractor Oversight and Self-assessment Activities**

I appreciate the opportunity to talk to you today concerning safety oversight at the Savannah River Site. There is no more important subject to me than the subject of safety. While I believe Savannah River has a sound, mature safety program with an excellent safety record, I also know that continuous improvement is necessary to maintain or improve this performance. The safety of the federal and contractor workforce, the public and the environment receives daily attention from my staff and me. Today I will discuss how I ensure policies and procedures are in place to safely execute the work processes at Savannah River Site.

This program begins with DOE Headquarters direction, which is implemented through site procedures. At the Savannah River Site, I have put in place a system of procedures which detail how we perform oversight of the contractor. I have a mature program which emphasizes strong field presence, detailed technical reviews and approval, and independent reviews through our Environment, Safety, and Health (ES&H) organization. A technical qualification process is in place for personnel who perform each of these tasks. We have validated the effectiveness of our administrative programs and our work performance through readiness assessments, Integrated Safety Management System reviews, and other external reviews. DOE Savannah River Operations Office (SR) personnel have a professional relationship with the contractor which sets clear expectations for performance. We are organized and properly staffed for our assigned missions.

I will first briefly discuss the DOE Headquarters direction on the subject of contractor oversight.

1. DOE Policy 450.5, titled “Line Environment, Safety and Health Oversight” gives headquarters expectations for ES&H oversight. A key portion of the policy reads; “...DOE...Line managers must acquire and maintain sufficient knowledge of program activities in order to make informed decisions on safety resources for these activities.” This policy gives substantial direction to work together with the contractor self-assessment program and I agree that the contractor self-assessment program can be relied upon as one source of information. As I discuss below I have other sources of information that I use to validate the contractor’s self-assessment program.
2. DOE Policy 411.1, titled “Safety Management Functions Responsibilities and Authorities Policy”, states “The ultimate responsibility and accountability for ensuring adequate protection in the operation of DOE facilities, while meeting the requirements of national security and defense, rests with DOE line management. Where contractors are employed to plan and conduct work at DOE facilities, DOE line management fulfills this responsibility by establishing expectations, contractual requirements, overseeing compliance and managing contracts.” This quote accurately captures the role of DOE at the Savannah River Site.

Next I will discuss direction for contractor oversight contained in SR specific documents.

1. Savannah River Operations Office, Human Resources Program Management Manual, DOE-SR Functions, Responsibilities and Authorities Procedure (FRAP) (SRM 300.1.1B) implements the directive of HQ Policy 411.1.

The FRAP dictates clear lines of responsibility and authority for oversight of the contractor and DOE activities. The FRAP assigns overall leadership and direction for oversight of assigned contractor activities to the Assistant Managers, Chief Financial Officer, Office Directors and the Division Directors that work for them. Line Management Organizations have direct authority and responsibility for the safe, secure and efficient operation of DOE facilities and activities. Line managers demonstrate a personal commitment to the highest standards of safety, health and

environmental protection and ensure that the day-to-day activities of the contractor reflect the existence of a pervasive safety culture. Line managers monitor the contractor's processes for identifying activity hazards and ensure that proper controls are developed and implemented to prevent or mitigate hazards to safety and health.

The FRAP also formally charters the following groups to conduct activities associated with safety. The Executive Technical Management Board (ETMB), which is composed of members of my senior management team, sustains the culture of safety, security, competence and technical excellence, and oversees the principles of Integrated Safety Management (ISM). The ETMB provides guidance and direction for the implementation of contractor oversight to ensure consistency within the line organizations and enables effective site-wide integration in the area of ISM. The ETMB and its standing committees facilitate site-wide integration of programs in their areas of cognizance and advise me from that perspective. These committees include:

- Facility Representative Council (FRC) – Develops, recommends and facilitates activities that enhance the FR Program, including ensuring the effective integration of FR activities into the line ES&H contractor oversight.
  - Nuclear Safety Council – Sustains progress in nuclear safety excellence. Integrates the efforts of the line management and support organizations in the implementation of nuclear safety
  - Technical Assessment Program Committee – Develops, recommends, and facilitates activities that enhance the Technical Assessment Program and improves the conduct and integration of technical activities among all applicable organizations.
2. I have promulgated my expectations for safety by issuing a policy statement (SRP 03-08). Savannah River Site Workplace Safety, Health, and Security Policy states the objective as “Operations on the Savannah River Site shall be conducted in a manner that protects the worker, the public, the environment and security assets and related materials. The objective of this policy is to establish a consistent site-wide

approach to worker protection and security by incorporating safety, health, and security into daily activities.” I am not willing to accept the status quo, but expect continuous improvement in site safety performance and the continued growth in the effectiveness of the ISM Program.

3. The third site specific element I will discuss is the contract with the Westinghouse Savannah River Company that enforces and provides incentives for safe operation. The Performance Evaluation and Measurement Plan (PEMP) is a section of the Operating contract which provides a general overview of the contract, identifies the specific fee incentives under the contract, and provides information, guidance and processes for management and administration of the contract by my staff. The General Performance Requirements section contains the following provisions.
  - Under this contract, the principle of compliance with ES&H requirements is a precondition of operations and to earning of fee under the contract.
  - It is expected the contractor will establish and enforce management systems. The contractor is responsible for the conduct of its operations and of all its employees in the operation of this site. Fee reductions will not occur if the contractor stops an activity that it deems unsafe; unless, the alleged unsafe condition arose as a result of the contractor’s actions.

Topics discussed thus far detail headquarters and Savannah River specific documents concerning oversight of activities at SR. The federal workforce at Savannah River Site implements these requirements. There are three general groups of technically qualified personnel performing independent assessment of the work performed by the contractor.

1. The first group of people I will discuss is the Facility Representatives (FRs). An FR is an employee with full-time duties and responsibilities consisting of broad-based observation and assessment of facility operations and activities considered important to maintaining the safety of workers, the public and the environment. These individuals maintain knowledge of facility status and conditions on a real-time basis and serve as the working level SR point of contact with the contractor. At Savannah

River we have further refined this position by defining a Senior FR position as an FR with expert knowledge of the assigned facility who provides the senior resident SR point of contact between the facility contractor and SR management on a day-to-day basis.

FRs throughout SR share common responsibilities. They provide the major onsite SR presence and the "on-the-scene eyes and ears" for SR line management. This provides increased knowledge of conditions at the facility and direct observation of the M&O contractor's actions, thus improving SR's ability to respond quickly and effectively to facility problems. The FR performs review and assessment of assigned facilities to ensure that the facilities are operated safely and conform to DOE requirements and good industry practices. In this context: (1) the FR assesses performance and effectiveness of the operating contractor's personnel and procedures; (2) The FR provides useful feedback to the operating contractor through the appropriate channels established by SR line management; (3) the FR verifies the operating contractor's resolution of identified deficiencies and weaknesses by reviewing the closure of items in the corrective action program; (4) the FR coordinates with SR line management to assure acceptable closure of issues, and (5) the FR coordinates the communications of lesson learned at this site and across the complex.

2. The next group of personnel I will discuss is the Technical Specialists assigned to the line organizations. These individuals perform in-depth reviews of technical documents and activities. They are qualified individuals with demonstrated experience and documented knowledge of a technical program area. Examples of Technical Specialist assessments include those pertaining to facility engineering and design as well as the review and approval of Authorization Basis documents, which form the license for operations of our facilities.

SR technical assessments focus on performance and effectiveness, rather than simple compliance with requirements. The SR Technical Assessment Program strives for

high-quality reviews with the flexibility to meet both base requirements and emerging needs. The SR Technical Assessment Program fulfills an important part of the “Feedback and Improvement” function of SR’s ISM System, and the ISM System functions and principles provide the underlying foundation for this procedure.

3. The third group of qualified personnel performing assessments is those personnel assigned to the non-line management ES&H organization. These are technically qualified personnel with demonstrated expertise functional areas such as Transportation and Packaging, Fire Protection, OSHA, Radiological Controls, Emergency Preparedness, and Safeguards and Security. These individuals perform independent assessments of facilities and programs and report the results of their reviews to me and to the contractor through line management. The ES&H organization also looks for sitewide trends and programmatic deficiencies. The ES&H organization oversight and involvement provides the checks and balances needed to oversee the work performed at SRS.

Line management reviews the results of these assessments for the significance of the findings and to determine the overall operating performance of the contractor. Put another way, all the information concerning budget, schedule and operating performance comes together at the site management level for review. This review provides operational awareness through analysis of SR assessments, contractor performance indicators, operational events, and feedback from my staff. My senior management team then meets with the contractor line management in a structured forum for summarizing assessment results, presenting deficiencies, and addressing issues at the senior DOE and operating contractor management level. These meetings also provide the operating contractor management an opportunity to provide additional information to SR regarding a deficiency or issue. The reports issued for these meetings are the best performance indicator of the assessment program at SR. The above outlined programs confirm the effectiveness of our current oversight approach, however the effectiveness of this approach is continuously reviewed.

I have reviewed the proposed DOE P 226.1 and returned comments to headquarters. The proposed policy maintains an emphasis on reliance on the contractor's feedback and improvement program. Based on a review of the proposed policy and in consideration of the current programs previously mentioned, I would not expect that significant changes would be necessary to implement the policy.

Next I will discuss the technical staffing for SR. We currently have defined 206 positions that require formal technical qualification. As a result of the recent reorganization I put in place at SR to put additional focus on closure activities, 152 of the 206 positions are currently filled with qualified personnel. The remaining 54 personnel are actively pursuing qualification. Twenty-three of these personnel have been previously qualified in a different position. These staffing numbers indicate 73% of identified positions are filled with qualified personnel. All 29 SR FRs are currently qualified. We are also performing a 5 year staffing review that will look at our staffing needs for the future and ensure we have an adequate pipeline or recruitment strategy for technical positions.

As the site manager, I have put in place a structure to facilitate the flow of information from DOE oversight assessments and contractor self-assessments. I meet weekly with my senior management team, which includes all Assistant Managers and Office Directors. The purpose of this meeting is to communicate issues and lessons learned across the site. I have a Technical Assistant assigned to my staff, who is a former facility representative, to ensure I am kept fully aware of the operational issues in all facilities and work activities. I participate in bi-weekly contractor meetings with the two main contractor line organizations, review occurrences, and analyze for trends within programs and facilities, or for commonality of causal factors. The information from these meetings is used to validate the operational status reported to me as well as to validate the contractor supplied performance metrics. I meet weekly with the DNFSB site representatives and ensure their issues are fully addressed. In addition, I am available to all federal personnel to ensure that operational issues can be addressed and so they know my personal involvement and commitment to safe operation of DOE facilities. As a result of this direct involvement, my senior management team and I write specific

correspondence to the contractor for immediate attention to safety trends/events. I am personally involved and committed to the safe operation of DOE facilities and an overall continuous improvement in safety performance at the site.

On September 9, 2003, I transmitted information on and chapters from the Columbia Accident Investigation Board's report to my senior management team along with the expectation that they read the report, identify lessons learned that are applicable to our operations at the SRS, and determine how these can be applied to strengthen our safety culture at the site. Similar to NASA, our mission is unique, complex, and highly technical - often dealing with one of a kind technology.

I also tasked my ES&H organization with conducting an analysis of the document and leading a session with my senior management team to evaluate the organizational practices and cultural traits identified in the AIB report that contributed to the accident for analogies at SR. This session was conducted on October 8, 2003. The conclusion of this analysis and evaluation session was that the SR senior management team focus is clearly on continual improvement in safety performance while accelerating clean up. SR has open lines of communication and good technical qualifications. We are sending out a balanced message of safely accelerating cleanup work. One of the areas that we are seeking to improve is in the sharing of the lessons learned. After the October 8<sup>th</sup> discussion, I requested that my operations line managers utilize the senior management team meetings as a forum for airing well thought out and analyzed lessons learned from their facilities.

I believe the Savannah River Operations Office has a very mature oversight program that fully implements the guidance provided by DOE headquarters. I have a technically qualified staff to enable me to effectively conduct oversight. My senior management team is fully engaged in the safety and operational aspects of the facilities under their cognizance. Finally, I am personally involved in the review and analysis of operational events and drive the preparation of feedback to the contractors. I have created a culture



that values safety and recognizes the need for continuous improvement to maintain a mature oversight program.

And now I would be glad to answer any questions you might have.