

December 7, 2000

Dr. Bernard L. Meyers
[]
Bechtel BWXT Idaho, LLC
P.O. Box 1625, MS 3898
Idaho Falls, ID 83414

Subject: Enforcement Letter

Dear Dr. Meyers:

This letter refers to a recent investigation by the Department of Energy (DOE) regarding noncompliances with requirements of 10 CFR 830.120 (Quality Assurance Rule) occurring at the Idaho National Engineering and Environmental Laboratory (INEEL). The investigation reviewed five issues reported into the Noncompliance Tracking System (NTS) by Bechtel BWXT Idaho, LLC (BBWI) and two Quality Program assessment reports. Two of the NTS reports involved specific events that occurred before October 1, 1999, when BBWI began operating INEEL but was responsible for implementing corrective actions. The remaining three reports involved programmatic breakdowns that continued to occur after BBWI assumed contractor operator status at INEEL. These specific issues are described in the enclosed Investigation Summary Report.

Our investigation determined a broad range of quality assurance deficiencies continues to exist at the INEEL. BBWI developed and implemented corrective action plans for most of the areas discussed in the Investigation Summary Report based upon causal analysis. However, the adequacy of corrective actions could not be determined in some areas because BBWI did not perform a root cause analysis of these issues.

The quality deficiencies are significant and would typically warrant an enforcement conference. DOE recognizes that some noncompliances existed prior to October 1999, and were discovered by BBWI after it assumed operation of INEEL. Nonetheless, some of the programmatic issues continued to occur after October 1999 as evidenced by the quality implementation assessment findings.

Our evaluation found that BBWI had conducted numerous self-assessments, a positive step. However, DOE noted weaknesses in BBWI's responses to self-assessments, particularly with follow-up to ensure that any potential generic implications of the self-assessments are evaluated and addressed. For example, BBWI identified problems with the maintenance of quality records at the Idaho Nuclear Technology and Engineering Center (INTEC) in September 1999. BBWI did not recognize the significance of the problems or use the results of its self-assessment for quality

improvement purposes until the DOE Idaho Operations Office completed its assessment in February 2000, which documented deficiencies with quality records. Then, BBWI delayed until May 2000 to report the problem into the NTS. Additionally, BBWI could not support its assertions that it performed a root cause analysis on all of the quality assurance program deficiencies identified in the Quality Assurance Program Implementation self-assessment report. Seven quality deficiencies were identified as programmatic issues by BBWI. Several of these programmatic issues were reported to DOE in the NTS; however, a number were not reported to into the NTS.

BBWI demonstrated in some areas that its quality improvement process had been effectively implemented. For example, BBWI evaluated a number of assessments and developed a site-wide corrective action plan to correct deficiencies in the Configuration Management Program. Many of the corrective actions are complete and evaluations of the effectiveness of those corrective actions are scheduled. BBWI also developed a site-wide Quality Assurance Improvement Plan and provided DOE with a detailed schedule to complete the necessary actions. BBWI reported to DOE that some of the programmatic quality issues identified in the May 2000 assessment would be corrected under the actions of this site-wide improvement plan.

Based upon the positive progress by BBWI in accepting and correcting the quality program deficiencies at INEEL, DOE will defer enforcement action. We will continue to monitor progress with your corrective actions and in the area of quality improvement. In reaching this decision DOE recognized that quality assurance deficiencies existed within the prior contractor's system and that BBWI inherited these deficiencies. DOE also considered that BBWI made progress in correcting quality deficiencies. However, sufficient time has passed since BBWI assumed operation of INEEL for implementation of adequate corrective actions to prevent recurrence of these quality problems. DOE expects the quality program to be effectively implemented at INEEL.

If you would like to discuss these matters further, please contact Sharon Hurley of my staff at (301) 903-0110.

Sincerely,



R. Keith Christopher

Director

Office of Price-Anderson Enforcement

Enclosure: Investigation Summary Report

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