



OFFICE OF INSPECTOR GENERAL

U.S. Department of Energy

INSPECTION REPORT

DOE-OIG-25-02

October 2024

**SUBCONTRACTOR CONDUCTED
UNACCREDITED ASBESTOS TRAINING
AT THE IDAHO
NATIONAL LABORATORY**



Department of Energy
Washington, DC 20585

October 28, 2024

MEMORANDUM FOR THE MANAGER, IDAHO OPERATIONS OFFICE

SUBJECT: Inspection Report: *Subcontractor Conducted Unaccredited Asbestos Training at the Idaho National Laboratory*

The attached report discusses our review of an allegation that D&D Environmental Consulting, Inc., a subcontractor at the Idaho National Laboratory, conducted unaccredited asbestos training over a 10-year period beginning in 2013. We substantiated the allegation that the subcontractor conducted unaccredited asbestos training at the Idaho National Laboratory. This report contains four recommendations that, if fully implemented, should help ensure that Idaho National Laboratory employees receive fully accredited asbestos training in the future. Management fully concurred with our recommendations.

We conducted this inspection from October 2023 through September 2024 in accordance with the Council of the Inspectors General on Integrity and Efficiency's *Quality Standards for Inspection and Evaluation* (December 2020). We appreciated the cooperation and assistance received during this inspection.

A handwritten signature in black ink, appearing to read "Anthony Cruz", written over a light gray rectangular background.

Anthony Cruz
Assistant Inspector General
for Inspections, Intelligence Oversight,
and Special Projects
Office of Inspector General

cc: Deputy Secretary
Chief of Staff

DOE-OIG-25-02



Department of Energy Office of Inspector General

Subcontractor Conducted Unaccredited Asbestos Training at the Idaho National Laboratory (DOE-OIG-25-02)

WHY THE OIG PERFORMED THIS INSPECTION

The Office of Inspector General received an allegation that D&D Environmental Consulting, Inc. (D&D), a subcontractor for Battelle Energy Alliance, LLC (BEA), conducted asbestos training without Environmental Protection Agency (EPA) or state accreditation at the Idaho National Laboratory over a 10-year period.

The EPA requires asbestos training be conducted by the EPA or partner-state accredited instructors. This is critical to ensure that asbestos professionals receive accurate safety information when working with asbestos.

We initiated this inspection to determine the facts and circumstances regarding the allegation that D&D conducted unaccredited asbestos training at the Idaho National Laboratory.

What Did the OIG Find?

We substantiated the allegation that D&D conducted unaccredited asbestos training for BEA employees. Specifically, from February 2015 through May 2022, D&D conducted 8,000 hours of uncertified training for 236 BEA asbestos professionals. This occurred because D&D failed to keep its asbestos training accreditation current despite contractual and regulatory requirements, and BEA did not verify that D&D maintained current accreditation as an asbestos trainer. Finally, BEA's decision to begin asbestos refresher training with a new subcontractor was not sufficient under EPA regulations.

What Is the Impact?

D&D's unaccredited asbestos training resulted in 8,000 invalid training hours at an estimated cost of \$153,616, which we questioned as unallowable. Additionally, we estimated that 147 BEA employees will require 3,776 hours of initial asbestos training at a cost of \$93,175 to recertify their positions as asbestos professionals. Finally, unaccredited asbestos training could call into question the validity of asbestos work done at the Idaho National Laboratory over a 7-year period.

What Is the Path Forward?

To address the issues identified in this report, we have made four recommendations that, if fully implemented, will bring BEA employees that require accredited asbestos training in compliance with EPA regulations. Further, these recommendations should ensure that future subcontractors administer only accredited asbestos training for BEA employees.

BACKGROUND

The Idaho National Laboratory (INL) is the Nation's leading laboratory for nuclear energy research, development, and demonstration. As 1 of 17 National Laboratories in the Department of Energy complex, INL is home to more than 6,100 researchers and support staff. INL combines the expertise of Government, industry, and academia in a single laboratory under the leadership of Battelle Energy Alliance, LLC (BEA). BEA manages INL under a management and operating contract and is responsible for the operations, maintenance, and support of INL. This contract requires safe and efficient operation of all INL facilities. The Idaho Operations Office is responsible for regulatory and contract oversight at INL.

The Asbestos Hazard Emergency Response Act tasked the Environmental Protection Agency (EPA) with developing a model plan for states to accredit persons conducting asbestos inspection and corrective-action activities at schools. The Asbestos School Hazard Abatement Reauthorization Act of 1990 expanded the model plan to all public and commercial buildings, including Government buildings. The EPA's regulatory guidance for training asbestos professionals¹ is 40 Code of Federal Regulations 763, Subpart E, Appendix C, Asbestos Model Accreditation Plan.

On August 17, 2023, the Office of Inspector General received an allegation that a subcontractor was conducting asbestos training at INL without state accreditation. The allegation stated that D&D Environmental Consulting, Inc. (D&D) had been under contract to conduct asbestos training but had not been certified to do so since 2013. We initiated this inspection to determine the facts and circumstances regarding the allegation that D&D conducted unaccredited asbestos training at INL.

D&D CONDUCTED UNACCREDITED ASBESTOS TRAINING AT INL

We substantiated the allegation that D&D conducted unaccredited asbestos training at INL. Specifically, from February 2015 through May 2022, D&D conducted 8,000 hours of uncertified training for 236 BEA asbestos professionals.

We found that D&D's accreditation expired on January 30, 2015, and was not renewed. D&D's contract requires EPA certification to ensure that asbestos professionals are properly trained. Accredited asbestos training addresses a variety of specialized topics such as pre-asbestos abatement work activities, personal protection, worker decontamination procedures, and safety in the abatement work area. After initial training, asbestos professionals are required to receive refresher training every year.

From October 2007 through May 2022, D&D administered asbestos training for BEA employees. Despite its contractual requirement, D&D conducted unaccredited initial and refresher asbestos training for BEA asbestos professionals from February 2015 through May 2022. For over 7 years, BEA's uncertified asbestos workforce conducted 243 renovations involving removal of asbestos-containing material.

¹ This report will collectively refer to asbestos workers, supervisors, inspectors, management planners, and project designers as asbestos professionals.

Insufficient Oversight of Subcontractor Performance

Insufficient oversight of subcontractor performance occurred because D&D failed to keep its asbestos training accreditation current despite contractual and regulatory requirements, and BEA did not verify that D&D maintained current accreditation as an asbestos trainer. According to a BEA subject matter expert, in September 2022, when BEA learned that D&D had conducted unaccredited training, BEA requested that D&D submit proof of accreditation. The D&D owner and operator replied that they were not aware that their accreditation had expired. After learning of D&D's unaccredited status, BEA officials stated that they focused on determining the validity of the asbestos training that D&D had presented to ensure it was consistent with EPA requirements, and that employees received training in line with what their positions required. To accomplish these things, BEA stated that its new accredited trainer reviewed D&D's written training materials and found them to be adequate in content. Subsequently, according to a BEA Technical Lead and a BEA Safety Advisor, BEA made the decision to begin asbestos refresher training with the new subcontractor. However, we found that the refresher training was not sufficient under EPA regulations. According to 40 Code of Federal Regulations 763, Subpart E, Appendix C, Asbestos Model Accreditation Plan, asbestos professionals that receive training from a non-accredited provider must be deaccredited. The Colorado Department of Public Health and Environment (the agency that certified D&D) requires persons who have lapsed training certification to receive recertified accredited initial training. Therefore, BEA's asbestos professionals are not properly trained according to the requirements.

We also learned that during the contract period, BEA had not verified whether D&D's EPA accreditation to administer the training was valid. BEA's Laboratory-wide procedure, LWP-7205, *Idaho National Laboratory Service Subcontracted Work*, requires that subcontractor training be current and documented prior to providing service.

IMPACT

We questioned, as expressly unallowable, \$153,616 associated with the 8,000 hours of unaccredited training conducted by D&D. Federal Acquisition Regulation 31.201-2, Determining Allowability, states that a contract cost is not allowable if the contractor has not complied with the terms of the contract. D&D did not fulfill the terms of its contract when it conducted training as an unaccredited trainer.

Further, BEA will need to retrain and recertify around 147 BEA employees. Retraining and recertification will require about 3,776 hours of initial asbestos training at an estimated cost of \$93,175.

Finally, unaccredited asbestos training could call into question the validity of asbestos work done at INL over the 7-year period from 2015 through 2022.

RECOMMENDATIONS

We recommend that the Manager, Idaho Operations Office, direct the Contracting Officer to:

1. Conduct an extent of condition review regarding the impact of asbestos work conducted by unaccredited BEA employees;
2. Determine the allowability of costs questioned in this report and recover any amounts deemed unallowable;
3. Require BEA to develop a procedure to validate subcontractor accreditations; and
4. Require BEA to provide initial asbestos training to all employees that must be de-accredited in accordance with Section I (G) of 40 Code of Federal Regulations 763, Subpart E, Appendix C, Asbestos Model Accreditation Plan, and Colorado Department of Public Health and Environment Regulation 8, Section II.C.5, Part B.

MANAGEMENT RESPONSE

Management fully concurred with our recommendations. Management stated it will: (1) direct BEA to document an extent of condition; (2) review questioned costs to determine their allowability; (3) direct BEA to revise its procurement processes and procedures to include requirements to validate subcontractor accreditations; and (4) direct BEA to provide initial asbestos training to any employees that require the training.

Management's comments are included in Appendix 2.

INSPECTOR COMMENTS

Management's comments and corrective action are responsive to our recommendations.

Appendix 1: Objective, Scope, and Methodology

OBJECTIVE

We initiated this inspection to determine the facts and circumstances regarding the allegation that D&D Environmental Consulting, Inc. conducted unaccredited asbestos training at the Idaho National Laboratory.

SCOPE

The inspection was performed from November 2023 through September 2024 at the Idaho National Laboratory located near Idaho Falls, Idaho. The scope was limited to asbestos-related training conducted by D&D Environmental Consulting, Inc. from fiscal year 2013 through fiscal year 2023. The inspection was conducted under Office of Inspector General project number S24DN005.

METHODOLOGY

To accomplish our inspection objective, we:

- Reviewed applicable laws, regulations, and policies to determine the requirements for the inspection.
- Reviewed the criteria and requirements of Battelle Energy Alliance LLC's asbestos training conducted at the Idaho National Laboratory. The review included records provided by the Colorado Department of Public Health and Environment to determine accredited asbestos training providers.
- Reviewed applicable contracts and Statements of Work related to D&D Environmental Consulting, Inc.'s asbestos training.
- Reviewed employee training records related to asbestos training.
- Conducted interviews with contractor and Federal personnel.
- Reviewed asbestos recertification training requirements.

We conducted our inspection in accordance with the *Quality Standards for Inspection and Evaluation* (December 2020) as put forth by the Council of the Inspectors General on Integrity and Efficiency. We believe that the work performed provides a reasonable basis for our conclusions.

Management officials waived an exit conference on October 10, 2024.

Appendix 2: Management Comments



Department of Energy
Idaho Operations Office

October 9, 2024

MEMORANDUM FOR ANTHONY CRUZ
ASSISTANT INSPECTOR GENERAL
FOR INSPECTIONS, INTELLIGENCE OVERSIGHT, AND
SPECIAL PROJECTS
OFFICE OF INSPECTOR GENERAL

FROM: LANCE L. LACROIX
MANAGER

A handwritten signature in blue ink, appearing to read "Lance L. Lacroix", is written over the printed name and title.

SUBJECT: Draft Inspection Report: *Subcontractor Conducted
Unaccredited Asbestos Training at the Idaho National
Laboratory (CLN241714)*

Thank you for the opportunity to review and comment on the subject draft report. The Idaho Operations Office appreciates the inspectors' work and provides the following comments below.

Recommendation 1:

Conduct an extent of condition review regarding the impact of asbestos work conducted by unaccredited BEA employees.

Management Response: Concur

Battelle Energy Alliance, LLC (BEA) will be directed to document an extent of condition review regarding the impact of asbestos work conducted by BEA employees who were trained by the unaccredited instructor.

Recommendation 2:

Determine the allowability of costs questioned in this report and recover any amounts deemed unallowable.

Management Response: Concur

The DOE-ID Contracting Officer will review questioned costs and determine the allowability of costs associated with the unaccredited training.

Appendix 2: Management Comments

Anthony Cruz

- 2 -

CLN241714

Recommendation 3:

Require BEA to develop a procedure to validate subcontractor accreditations.

Management Response: Concur

BEA will be directed to revise current procurement processes and procedures to include requirements to validate subcontractor accreditations for asbestos training prior to subcontract award and annually.

Recommendation 4:

Require BEA to provide initial asbestos training to all employees that must be de-accredited in accordance with Section I (G) of the Asbestos Model Accreditation Plan for States (40 Code of Federal Regulations Part 763, Subpart E, Appendix C) and Colorado Department of Public Health and Environment Regulation 8, Section II.C.5 of Part B.

Management Response: Concur

BEA will be directed to provide initial asbestos training to any employees that require the training. Not all BEA employees that received training from the unaccredited instructor will require the initial training for the following reasons: 1) Some employees that were de-accredited may no longer be involved in asbestos work so attending initial asbestos training is not necessary. 2) BEA is currently seeking relief from the requirements of 40 CFR 763, Subpart E, Appendix C from the Environmental Protection Agency (EPA), for this instance only, on the basis that the curriculum provided by the unaccredited instructor contained all content required by regulation. Following EPA's decision, all employees identified as needing initial asbestos training based on their current job functions will be trained in accordance with the Asbestos Model Accreditation Plan.

If you have any questions regarding this response, please contact Emily Clemens at 208-604-0131.

FEEDBACK

The Office of Inspector General has a continuing interest in improving the usefulness of its products. We aim to make our reports as responsive as possible and ask you to consider sharing your thoughts with us.

Please send your comments, suggestions, and feedback to OIG.Reports@hq.doe.gov and include your name, contact information, and the report number. You may also mail comments to us:

Office of Inspector General (IG-12)
Department of Energy
Washington, DC 20585

If you want to discuss this report or your comments with a member of the Office of Inspector General staff, please contact our office at 202-586-1818. For media-related inquiries, please call 202-586-7406.

**Subcontractor Conducted Unaccredited Asbestos Training at the Idaho
National Laboratory
DOE-OIG-25-02**

Report Addendum for Identified Subcontractor Comments

The U.S. Department of Energy Office of Inspector General (OIG) released a public report that refers to work performed by external parties. Pursuant to Public Law 117-263, Section 5274, non-governmental organizations and business entities specifically identified in an audit, evaluation, inspection or other non-investigative report issued by the OIG have the opportunity to submit a written response for the purpose of clarifying or providing additional context to any specific reference. The OIG notified each external party related to this report on October 31, 2024, giving them 30 days to provide a response. The response is appended to the final, published report. The OIG reviews any response for the purpose of preventing the improper disclosure of classified or other nonpublic information, and, if necessary, will redact such information.

In response to our final report, *Subcontractor Conducted Unaccredited Asbestos Training at the Idaho National Laboratory*, the identified subcontractor provided a written response for the purpose of clarifying or providing additional context to specific references in the report. Specifically, Douglas A. Aldinger of D&D Environmental Consulting, Inc. (D&D) submitted a letter from the Environmental Protection Agency (EPA) dated November 17, 1998, regarding its approval of D&D's asbestos training courses. In that letter, EPA stated that it considered D&D to be an approved training course provider for the purposes of asbestos accreditation in accordance with applicable criteria and as approved by the State of Colorado. However, our report addressed if D&D was an accredited training provider during the timeframe (starting in 2013) identified in a complaint sent to the OIG. We reported that D&D's accreditation expired on January 30, 2015. Therefore, the EPA letter D&D submitted does not change the conclusion reached in our final report.

D&D Environmental Consulting, Inc.

7345 South Pierce Street, Suite 104
Littleton, Colorado 80128
(303) 730-7877
Fax (303) 730-7887

November 26, 2024

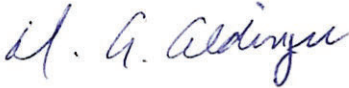
RE: Response Letter – October 31, 2024

Dear Mr. Anthony Cruz:

I apologize for taking such a long time to respond to your allegations presented in your October 31, 2024, letter, but it has taken some time to locate the attached letter directly from the U. S. Environmental Protection Agency regarding asbestos training. Hopefully this will help in negating your allegations of unaccredited asbestos training conducted at the Idaho National Laboratory.

Thank you for this opportunity to submit my response.

Sincerely,

A handwritten signature in blue ink that reads "D. A. Aldinger". The signature is written in a cursive style.

Douglas A. Aldinger



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
WASHINGTON, D.C. 20460

NOV 17 1998

OFFICE OF
PREVENTION, PESTICIDES AND
TOXIC SUBSTANCES

Douglas A. Aldinger, QHST, Director
D & D Environmental Consulting, Inc.
7000 South Broadway, Suite 2D
Littleton, CO 80122


RE: Approval of Asbestos Training Courses

Dear Mr. Aldinger:

This is in response to your letter of November 5, 1998 on the approval status of the Asbestos Hazard Emergency Response Act (AHERA) training courses provided by your company. As you are aware, AHERA § 206 requires accreditation for asbestos abatement professionals who wish to perform work in a school or a public or commercial building. Accreditation may be granted by a state that is administering an asbestos training and accreditation program that is at least as stringent as the EPA's Model Accreditation Plan. On January 10, 1996, the United States Environmental Protection Agency determined that the State of Colorado's asbestos training and accreditation program was no less stringent than the EPA's Model Plan. Therefore, if a D & D training course has been reviewed and approved by the State of Colorado, then EPA considers D & D to be an approved training course provider for the purposes of asbestos accreditation in that discipline under AHERA.

If you have any questions on this matter, please do not hesitate to contact Cindy Fraleigh of my staff at (202) 260-1537 or by E-mail at fraleigh.cindy@epa.gov.

Sincerely,


Tony Baney, Chief
Fibers and Organics Branch
National Program Chemicals Division

cc: Tom Tayon
State of Colorado



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