Department of Energy
Washington, DC 20585

October 22, 2001

Ms. M.P. Delozier
President and General Manager
CH2M Hill Hanford Group, Inc.
MSIN: H6-08
2440 Stevens Center
Richland, WA 99352

Subject: Special Report Order

Dear Ms. Delozier:

On September 18, 2001, the Office of Price-Anderson Enforcement (OE) in coordination with the DOE Office of River Protection (ORP) conducted a review of the actions taken by CH2M Hill Hanford Group (CHG) in response to an Enforcement Letter dated April 24, 2001. This Enforcement Letter referenced three Noncompliance Tracking System (NTS) reports submitted by CHG which collectively suggested weaknesses in your nuclear safety operations related to (1) corrective action management, (2) worker training and qualification, and (3) adherence to Authorization Basis (AB) documentation. Our review concluded that actions were taken by CHG to address both specific and programmatic concerns raised in the Enforcement Letter and that CHG appears to be making progress in implementing associated corrective actions.

DOE recognizes that you identified and reported the NTS issues that led to the Enforcement Letter and that some progress has been made towards resolution. Separately, DOE also had the opportunity to evaluate the findings identified in your comprehensive Independent Performance Evaluation (IPE) report that also identified a significant number of "weaknesses." DOE believes that this IPE demonstrates the type of proactive approach to identifying deficiencies that DOE is encouraging in all of it's contractors since, when corrective actions are implemented, it leads to the prevention of more significant events that can affect mission accomplishment. For this reason, DOE does not believe formal enforcement action is warranted at this time. However, OE is concerned with (1) the implementation, adequacy and effectiveness of identified corrective actions, (2) the number of open NTS reports in the system to include those awaiting DOE Office of River Protection approval and (3) the lack of timely reporting of issues that, by their nature, are NTS reportable. A number of these conditions involve potentially critical controls and safety features.

Based on evaluation of your NTS reports in CY-2000 and 2001, the associated occurrence reports for these noncompliance conditions, and occurrence reports from

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issues that have not been NTS reported, DOE has extracted the more common issues and underlying problems from a nuclear safety perspective. While these tend to be areas that are already identified in other comprehensive evaluations, such as the (1) CHG Independent Performance Evaluation, (3) ORP oversight issues, and (3) the Office of Oversight Focused Review Report, these issues are the more frequent or significant problems that have led to potentially safety significant occurrences or problems. For example, CHG currently has two NTS reports that address several noncompliances with established lock and tag procedures. Completed corrective actions associated with the first report, if effective, should have prevented, the additional noncompliances cited in the second report. Additionally, an ORP identified concern resulted in an NTS report addressing a positive Unreviewed Safety Question associated with the potential for the inadvertent drop of a 12 ton cover block over a waste tank with the subsequent potential to release waste to the surrounding environment. Accordingly attention to address these areas with appropriate near-term compensatory and special corrective measures is necessary to provide improved assurance that these will not lead to a serious occurrence.

Some actions you have already planned for these problem areas include long term efforts to develop a comprehensive process with multiple layers of control, and with longer periods to get implemented. However, these basic nuclear safety requirements have been required since 1995 and are fundamental to ensuring current safe operations. Additionally, to effectively move the organization and its underlying culture to a new and enhanced set of practices and behaviors, continual attention will be required by management and specialists. Accordingly, suitable special measures and compensatory controls are appropriate in the near-term to ensure that compliance and safety objectives are met in this development period.

Therefore, in accordance with 10 CFR 820.8(b), "Special Report Orders," you are required to provide written answers to the following specific questions and issues. Within 30 days provide confirmation that the information requested in this Special Report Order (SRO) can be developed and submitted as requested without adverse impact on safety. If CHG believes that these answers cannot be provided due to potential impacts on safety, justification for that position and provision of alternative means of compliance with Part 830 should be identified and communicated to ORP and OE. Failure to provide the requested information would constitute a nuclear safety violation and could be subject to enforcement action. Additionally, failure to implement effective actions to ensure that the continuing deficiencies in the quality improvement, work controls, assessment, authorization basis, and training and qualification areas are corrected could lead to enforcement action. Further, failure to take effective steps to address the recurring underlying organizational behavior and safety culture deficiencies could lead to enforcement action under the quality improvement provisions of Part 830.

Pursuant to Part 820.8(b), and subject to the above described condition, you are directed to provide the following information within 120 days:

A. Corrective Action Management/Quality Improvement

1. Provide information to demonstrate that a single, integrated problem identification, resolution, tracking, and trending process across the Tankfarm activities has been developed, that all identified quality deficiencies are placed in the process for management of disposition, and that significant deficiencies are being resolved in a timely manner.

2. Provide information to demonstrate that reviews of quality problems and deficiencies in the corrective action management process are being conducted to identify potential trend, repetitive, or programmatic issues. Summarize any such issues that have been identified since institution of this integrated process.

3. Corrective actions for 11 of the open 29 NTS reports filed by CHG for the Tankfarms in 2000 and 2001 have not been fully completed. Provide information to demonstrate that corrective actions have been completed for the most safety significant incomplete NTS reports.

B. Work Controls

Describe what short-term controls have been placed on the development and release of work packages and procedures and the conduct of work activities to ensure appropriate documents are in place and that procedures are being met. Describe how the effectiveness of these interim and compensatory controls is being routinely monitored.

C. Authorization Basis

Describe what short-term controls have been placed on the release of work packages or prior to conducting an evolution to ensure that authorization basis requirements are met. Describe how the effectiveness of these interim and compensatory controls is being evaluated.

D. Operator Training & Qualification

Provide information to describe steps that have been taken to assure personnel have received the required training and re-training, and that their records are accurate and accessible in a timely manner.

E. Organizational Behavior/Nuclear Safety Culture

1. Describe the compensatory measures that are being taken in the conduct of work and the performance of job evolutions to ensure that the proper worker behaviors, attitudes, and practices are displayed.

2. Describe what steps will be taken to measure progress and to demonstrate improvement in the nuclear safety culture.

F. Assessment/Feedback

1. Describe how quality improvement activities are being implemented to ensure that safety related issues are not repeated while putting longer-term actions in place.

2. Describe measures to ensure that managers are conducting management assessments of their organizations and activities.

3. Provide a schedule of the independent assessments to be conducted in the next 12 months.

4. Provide results of an assessment confirming the completion and effectiveness of the actions in the SRO. Include information regarding assessment of the appropriateness of any actions that are compensatory in nature that have been put in place to ensure compliance and continued safe operations until long-term actions are fully implemented.

After the 120-day period stated in this SRO, OE, in coordination with ORP, will evaluate the effectiveness of the CHG actions taken to determine the extent that CHG has addressed the concerns discussed previously in this SRO. This evaluation will be based on (1) the CHG response to the information requested above, (2) progress in implementing NTS identified corrective actions and report closure, and (3) input from DOE ORP. You are encouraged to effectively communicate and work closely with your counterparts in DOE ORP over this 120-day period to assure all line program expectations are met. Moreover, the results of the assessment identified in request 12 above should be provided directly to the Manager of DOE-ORP.

Please contact Mr. Richard Day of my staff at (301) 903-8371 if you have any questions in regard to this SRO.

Sincerely,

R. Keith Christopher
Director
Office of Price-Anderson Enforcement