Department of Energy
Washington, DC 20585

March 26, 2010

Mr. Scott Massie
President
Geiger Brothers Mechanical Contractors, Inc.
317 Ralph Street
Jackson, Ohio 45640

Dear Mr. Massie:

This letter refers to the Office of Health, Safety and Security's Office of Enforcement investigation into the facts and circumstances associated with deficiencies in the installation and inspection of penetration fire seals at the DUF6 Conversion Building, located at the Portsmouth Gaseous Diffusion Plant. DOE's investigation report, dated January 22, 2009, was provided to Geiger Brothers Mechanical Contractors, Inc. (Geiger) under separate cover.

Potential violations of 10 C.F.R. § 820.11, *Information Requirements*, and 10 C.F.R. Part 830, *Nuclear Safety Management*, occurred in association with this event, including: seals that were not installed in accordance with the approved assembly drawing; seals that were installed without an approved assembly drawing; and completed documentation (fire seal travelers) that indicated inspection and acceptance of the installed fire seals by Geiger's quality control inspector, when in fact the installations were never performed. Among the potential violations reviewed were Geiger's failure to detect and correct quality problems with inspections, documentation, and nonconformances; the failure to comply with approved procedures; the use of inadequate procedures to effectively control the intended activity; and the failure to ensure that inspection and testing adhered to established requirements.

The Department of Energy (DOE) is concerned that Geiger's quality control practices failed to timely identify installation deficiencies for many of the fire seals. Section 234A of the Atomic Energy Act of 1954, as amended, 42 U.S.C. § 2282a, subjects most DOE contractors covered by the DOE Price-Anderson Amendments Act indemnification system, and their subcontractors and suppliers, to civil penalties for nuclear safety violations. Title 10 C.F.R. Part 820, *Procedural Rules for DOE Nuclear Activities*, appendix A, section X(a), states that "DOE's enforcement policy is also applicable to subcontractors and suppliers to DOE Price-Anderson indemnified contractors. Through procurement contracts with these DOE contractors, subcontractors and suppliers are generally required to have quality assurance programs that meet applicable DOE Nuclear Safety Requirements." Consistent with this policy, DOE holds Geiger, a Uranium Disposition Services, LLC (UDS) subcontractor, responsible for ensuring that construction activities

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associated with the installation and inspection of penetration fire seals at the Portsmouth DUF6 Conversion Building complied with applicable nuclear safety and quality assurance requirements.

Although Geiger's original performance was deficient, the Office of Enforcement has confirmed that Geiger implemented a number of significant corrective actions to address its programmatic issues. These corrective actions included a 100 percent visual verification of installed seals; a 2 percent destructive examination by seal type to verify the adequacy of seal installations; documentation of all identified issues on nonconformance reports; training for inspectors and installers; revised procedures; distribution of a color-coded tracker showing system details and engineering judgments; a database for tracking seal penetrations; and development of a nuclear safety culture training program.

In recognition of the comprehensive scope of your corrective actions and because the identified deficiencies in the installation of the fire seals were appropriately corrected prior to transition of the DUF6 Conversion Buildings from construction to commissioning, the Office of Enforcement has determined that enforcement action is not warranted at this time. Should work deficiencies similar to those identified in our investigation report recur, or if the Office of Enforcement discovers that it relied upon materially inaccurate information in resolving its investigation, the Office of Enforcement reserves the right to pursue enforcement action at a later date.

No response to this letter is required. Should you have any questions, please contact me at (301) 903-2178 or have your staff contact Mr. Glenn Morris, Director, Office of Price-Anderson Enforcement, at (301) 903-7707.

Sincerely,

John S. Boulden III
Acting Director
Office of Enforcement
Office of Health, Safety and Security

cc: Paul Kreitz, UDS
Robert Burgin, UDS
Richard Azzaro, DNFSB