

FEB 23 1993

Mr. Dwight E. Shelor, Associate Director
for Systems and Compliance
Office of Civilian Radioactive Waste Management
U.S. Department of Energy
1000 Independence Avenue, SW
Washington, DC 20585

Dear Mr. Shelor:

**SUBJECT: OBSERVATION AUDIT OF THE CIVILIAN RADIOACTIVE WASTE MANAGEMENT
SYSTEM MANAGEMENT AND OPERATING CONTRACTOR (M&O) HEADQUARTERS**

I am transmitting the U.S. Nuclear Regulatory Commission Observation Audit Report No. 93-06 of the U.S. Department of Energy, Office of Civilian Radioactive Waste Management (OCRWM) Office of Quality Assurance compliance-based QA audit of M&O Headquarters. The audit was conducted at the TRW Environmental Safety Systems, Inc. offices in Vienna, Virginia, from February 1 through 5, 1993. This was the first audit of M&O Headquarters performed by OCRWM. The audit, HQ-93-03, evaluated the adequacy and effectiveness of the M&O Headquarters QA program. The audit scope included the 11 applicable QA programmatic elements. No technical areas were evaluated by the audit team.

The NRC staff evaluated the OCRWM audit to gain confidence that OCRWM and M&O Headquarters are properly implementing the requirements of their QA programs. The NRC staff based its evaluation of the OCRWM audit process and the M&O QA program on direct observations of the auditors; discussions with the audit team and M&O Headquarters personnel; and reviews of the audit plan, the audit checklists, and pertinent M&O documents.

The NRC staff has determined that OCRWM Audit No. HQ-93-03 was useful and effective. The audit was well organized and conducted in a thorough and professional manner with minimal logistic delays. The audit team was well qualified in the QA discipline, and its assignments and checklist items were adequately described in the audit plan.

The NRC staff agrees with the preliminary audit team findings that the M&O Headquarters QA procedures need to be upgraded and that implementation of the QA program is marginally effective even though Corrective Action and Audits were preliminarily assessed by the audit team to be ineffective. Nine preliminary Corrective Action Requests (CARs) were discussed by the OCRWM audit team at the post-audit meeting. Several other preliminary CARs were acceptably resolved by the M&O organization during the audit. None of the preliminary CARs identified by the OCRWM audit team is significant in terms of the overall M&O QA program.

OCRWM management should closely monitor M&O QA program implementation to ensure that the deficiencies identified during this audit are corrected in a

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Mr. Dwight E. Shelor

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timely manner and future implementation is effective. The NRC staff expects to participate in this monitoring as observers and may perform its own independent audits at a later date to assess the M&O QA program.

A written response to this letter or the enclosed report is not required. If you have any questions, please call Jack Spraul of my staff on (301) 504-2446.

Sincerely,

JS
Joseph J. Holonich, Director
Repository Licensing and Quality
Assurance Project Directorate
Division of High-Level Waste Management
Office of Nuclear Material Safety and
Safeguards

Enclosure: As stated

- cc: R. Loux, State of Nevada
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