



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D.C. 20555-0001

0222

AUG 22 1994

Mr. Ronald A. Milner, Acting Director
Office of Program Management and Integration
Office of Civilian Radioactive Waste Management
U.S. Department of Energy
1000 Independence Avenue, SW
Washington, D.C. 20585

Dear Mr. Milner:

**SUBJECT: OBSERVATION AUDIT OF THE OFFICE OF WASTE MANAGEMENT
HIGH-LEVEL WASTE DIVISION**

I am transmitting the Nuclear Regulatory Commission's Observation Audit Report 94-08 for the U.S. Department of Energy, Office of Civilian Radioactive Waste Management (OCRWM), Office of Quality Assurance Headquarters audit of the quality assurance (QA) program of the Office of Waste Management High-Level Waste Division (EM-323). The audit, HQ-94-03, was conducted from June 27-July 1, 1994, at the EM-323 offices in Germantown, Maryland. The audit evaluated the adequacy and effectiveness of the EM-323 QA program in all applicable QA programmatic areas.

The NRC staff evaluated the audit to gain confidence that OCRWM and the EM-323 organization are properly implementing the requirements of their QA programs. The EM-323 QA program is described in its Standard Practice Procedures. The NRC staff based its evaluation of the OCRWM audit process and the EM-323 QA program on direct observations of the audit team members; discussions with audit team and EM-323 personnel; and reviews of the audit plan, the audit checklists, and pertinent EM-323 documents.

The NRC staff has determined that OCRWM Audit HQ-94-03 was useful and effective. The audit was organized and conducted in a thorough and professional manner. Audit team members were independent of the activities they audited. 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 OCRWM audit team's finding that the overall implementation of the EM-323 QA program is indeterminate, awaiting resolution of OCRWM comments regarding the acceptability of the EM-323 QA program description to meet the OCRWM QA program requirements. Four preliminary Corrective Action Requests (CARs) were discussed by the OCRWM audit team at the post-audit meeting. Three other potential CARs were acceptably resolved by the EM-323 organization during the audit. Neither the preliminary nor potential CARs identified by the OCRWM audit team are significant in terms of the overall EM-323 QA program.

9408290281 940822
PDR WASTE
WM-11 PDR

NH16 1/1
WM-11
102.7

Mr. Ronald A. Milner

- 2 -

NRC staff expects to participate in this monitoring as observers and may perform its own independent audits at a later date to assess USGS implementation of its QA program.

A written response to this letter or the enclosed report is not required. If you have any questions, please call Bill Belke of my staff at (301) 415-5874.

Sincerely,

151

Joseph J. Holonich, Chief
High-Level Waste & Uranium Recovery
Projects Branch
Division of Waste Management
Office of Nuclear Material Safety
and Safeguards

Enclosure: As stated

- cc: R. Loux, State of Nevada
- T. J. Hickey, Nevada Legislative Committee
- J. Meder, Nevada Legislative Counsel Bureau
- R. Nelson, YMPO
- M. Murphy, Nye County, NV
- M. Baughman, Lincoln County, NV
- D. Bechtel, Clark County, NV
- D. Weigel, GAO
- P. Niedzielski-Eichner, Nye County, NV
- B. Mettam, Inyo County, CA
- V. Poe, Mineral County, NV
- F. Mariani, White Pine County, NV
- R. Williams, Lander County, NV
- L. Fiorenzi, Eureka County, NV
- J. Hoffman, Esmeralda County, NV
- C. Schank, Churchill County, NV
- L. Bradshaw, Nye County, NV
- W. Barnard, NWTRB1

DISTRIBUTION

PDR/LPDR/LSS
Central File
ACNW
On-Site Reps

NMSS R/F
DWM R/F
CNWRA

JTGreeves, DWM (c)
JJSurmeier, DWM
PPBrooks,HLUR

MJBell, ENGB
MVFederline, PAHB
JGSpraul, HLUR

OFC	HLUR	HLUR	ENGB	HLUR
NAME	WBelke/jk	RJohnson	MJBell	JJHolonich
DATE	08/14/94	08/14/94	08/05/94	08/12/94

C = COVER E = COVER & ENCLOSURE N = NO COPY

S:\DWM\HLUR\WLB\USGS-OA.Rpt

OFFICIAL RECORD COPY

Mr. Ronald A. Milner

- 3 -

AUG 22 1994

CC: for Milner Letter dated: _____

R. Loux, State of Nevada
T. J. Hickey, Nevada Legislative Committee
J. Meder, Nevada Legislative Counsel Bureau
R. Nelson, YMPO
M. Murphy, Nye County, NV
M. Baughman, Lincoln County, NV
D. Bechtel, Clark County, NV
D. Weigel, GAO
P. Niedzielski-Eichner, Nye County, NV
B. Mettam, Inyo County, CA
V. Poe, Mineral County, NV
F. Mariani, White Pine County, NV
R. Williams, Lander County, NV
L. Fiorenzi, Eureka County, NV
J. Hoffman, Esmeralda County, NV
C. Schank, Churchill County, NV
L. Bradshaw, Nye County, NV
W. Barnard, NWTRB