



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

AUG 25 1994

Ms. Susan W. Zimmerman, QA Manager
Agency for Nuclear Projects
Nuclear Waste Project Office
Capitol Complex, State of Nevada
Carson City, NV 89710

Dear Ms. Zimmerman:

SUBJECT: U.S. GEOLOGICAL SURVEY AUDIT RESULTS

Thank you for sending the U.S. Nuclear Regulatory Commission a copy of your July 18, 1994, letter to Mr. Donald Horton of the U.S. Department of Energy (DOE) regarding the results of the DOE Office of Civilian Radioactive Waste Management (OCRWM) quality assurance (QA) audit of the U.S. Geological Survey (USGS). We agree with the concerns you express in the letter, especially your disappointment that one OCRWM audit resulted in two Corrective Action Requests (CARs) that were classified as "significant." We note that DOE procedures require that the two significant CARs must have an assessment of the extent of the deficiency, actions taken to preclude recurrence, and a determination of the root cause of the problem. As is our practice for all CARs resulting from a DOE audit, the NRC staff will review the resolution of CARs regardless of their classification.

With regard to your specific concern on the QA "grading" of items and activities, this has been a difficult issue to resolve in the nuclear program since Appendix B of 10 CFR Part 50 was issued in 1970. Even as of today, the NRC is working with the Nuclear Energy Institute (NEI, formerly NUMARC) to develop a guidance document for QA-grading of structures, systems, and components of nuclear power plants. Effective technical reviews are required to ensure that items classified as being outside the QA program scope are properly classified. Good reviews are also required of the "grading" that is done to the QA for items within the QA program scope that do not receive the complete QA program. It is our understanding that OCRWM is reviewing all sides of the "extent of QA" problem, and we believe this is a positive aspect of ensuring proper grading.

The positive side of the USGS audit results is that they reflect an effective audit system by OCRWM. Further, we understand that OCRWM plans to continue annual audits of its principal contractors rather than extending the time between audits to three years. We believe this is a good decision.

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Ms. Susan W. Zimmerman

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If you have any questions on the above, please call Jack Spraul on (301) 415-6715.

Sincerely,

JS

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

cc: R. A. Milner, DOE
T. J. Hickey, Nevada Legislative Committee
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