



UNITED STATES  
NUCLEAR REGULATORY COMMISSION

WASHINGTON, D.C. 20555-0001

June 4, 1996

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

SUBJECT: OBSERVATION AUDIT OF THE OFFICE OF CIVILIAN RADIOACTIVE WASTE  
MANAGEMENT U. S. GEOLOGICAL SURVEY

Dear Mr. Milner:

I am transmitting Nuclear Regulatory Commission Observation Audit Report OA 96-04 of the U.S. Department of Energy, Office of Civilian Radioactive Waste Management, Office of Quality Assurance, Yucca Mountain Quality Assurance Division (YMQAD) performance-based audit of the quality assurance (QA) program of the U. S. Geologic Survey (USGS). The audit, YM-ARP-96-12, was conducted on April 29, through May 2, 1996, at the offices and laboratories of the USGS in Denver, Colorado. Although the audit was scheduled through May 3, the audit team had completed its auditing such that the exit meeting with USGS was held late afternoon on May 2. The State of Nevada did not participate in this audit.

This audit evaluated the implementation of the USGS QA program requirements and the technical activities leading to the generation of the Preliminary Site Saturated Zone 3-Dimensional Ground Water Flow Model (Work Breakdown Structure WBS 1.2.3.3.1.3.3) and the Unsaturated Zone Hydrochemistry Data Synthesis Report (WBS 1.2.3.3.1.2.7).

The audit team determined that the USGS technical performance was satisfactory. The audit team also determined that USGS compliance with ten of the 13 audited QA programmatic elements audited was satisfactory, but compliance with the other three (Procurement Document Control, Control of Purchased Items and Services, and Corrective Action) was determined to be unsatisfactory. At the post audit meeting, the audit team reported on the four QA deficiencies that it found during the audit, one of which had been corrected during the audit. The corrective actions for the three others are to be addressed with the corrective actions associated with similar findings at an earlier compliance audit (YM-ARC-96-10). In this regard, we understand that YMQAD issued an action plan for USGS along with its earlier Corrective Action Request concerning USGS procurements. In light of the repetitive nature of the USGS nonconformances, we believe that such action was warranted and look forward to hearing of the timeliness and effectiveness of the USGS corrective action in our periodic QA meetings. The audit team also made three recommendations.

The NRC staff determined that this audit was effective. Further, the NRC staff agrees with the audit team conclusions, findings, and recommendations.

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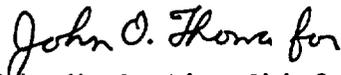
R: Milner

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YMQAD should continue to closely monitor implementation of the USGS QA program to ensure that the deficiencies identified are corrected in a timely manner and that future QA program implementation is effective. The NRC 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 and the enclosed report is not required. If you have any questions, please call Jack Spraul of my staff on (301) 415-6715.

Sincerely,



John H. Austin, Chief  
Performance Assessment and HLW  
Integration Branch  
Division of Waste Management  
Office of Nuclear Material Safety  
and Safeguards

Enclosure: As stated

cc: C. Johnson, State of Nevada  
S. Zimmerman, State of Nevada  
J. Meder, Nevada Legislative Counsel Bureau  
M. Murphy, Nye County, NV  
M. Baughman, Lincoln County, NV  
D. Bechtel, Clark County, NV  
P. Niedzielski-Eichner, Nye County, NV  
B. Mettam, Inyo County, CA  
V. Poe, Mineral County, NV  
W. Cameron, White Pine County, NV  
R. Williams, Lander County, NV  
L. Fiorenzi, Eureka County, NV  
J. Hoffman, Esmeralda County, NV  
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L. Bradshaw, Nye County, NV  
W. Barnard, NWTRB  
R. Holden, NCAI  
A. Melendez, NIEC  
R. Arnold, Pahrump, NV  
N. Stellavato, Nye County, NV  
S. Brocoum, YMPO  
W. Barnes, YMPO  
D. Horton, YMPO



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[Original signed by:]  
John H. Austin, Chief  
Performance Assessment and HLW  
Integration Branch  
Division of Waste Management  
Office of Nuclear Material Safety  
and Safeguards

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