



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

SEP 17 1992

CHAIRMAN

Mr. John P. Roberts, Acting Associate Director
for Systems and Compliance
Office of Civilian Radioactive Waste Management
U.S. Department of Energy
1000 Independence Avenue, SW
Washington, D.C. 20585

Dear Mr. Roberts:

SUBJECT: OBSERVATION REPORT NO. 92-S2 ON SURVEILLANCE HQ-SR-92-12
OF THE MANAGEMENT AND OPERATING CONTRACTOR

I am transmitting the U.S. Nuclear Regulatory Commission (NRC) Surveillance Observation Report No. 92-S2 for the U.S. Department of Energy, Office of Civilian Radioactive Waste Management (OCRWM) Quality Assurance (QA) Surveillance No. HQ-SR-92-12 of the Management and Operating Contractor (M&O) conducted in Dunn Loring, VA on September 9 and 10, 1992. A member of the NRC staff participated as an observer on this surveillance.

The NRC staff observed and evaluated the OCRWM QA surveillance to gain confidence that OCRWM and the M&O are properly implementing the requirements of their QA programs by assessing the effectiveness of the OCRWM surveillance and determining the adequacy of the M&O QA program in the area under surveillance. The staff's evaluation is based on direct observations of the surveillance process, discussions with the OCRWM surveillance team, and reviews of pertinent M&O records.

The surveillance, HQ-SR-92-12, evaluated the packages the M&O had prepared to document the closure of the hold points which resulted from the readiness reviews of November 1991 through February 1992 at the M&O offices at Las Vegas, NV, Vienna, VA, and Charlotte, NC. The readiness reviews were conducted to determine whether the M&O had an effective QA program in place before it initiated quality-affecting activities.

The NRC determined that the surveillance was effective and agreed with the surveillance team that the closure packages were generally acceptable to document actions taken to close the hold points. As a result of the surveillance, the M&O initiated a Corrective Action Report to correct documentation discrepancies discovered during the surveillance. The discrepancies are not significant in terms of the overall M&O QA program, and they do not degrade the quality of M&O activities.

The NRC staff believes that Revision 1 of the M&O's procedure QAP-2-6 "Readiness Reviews," has weakened the procedure in that it no longer requires that the "Attribute List" (that is, the list of prerequisites to be verified during a readiness review) be a QA record to

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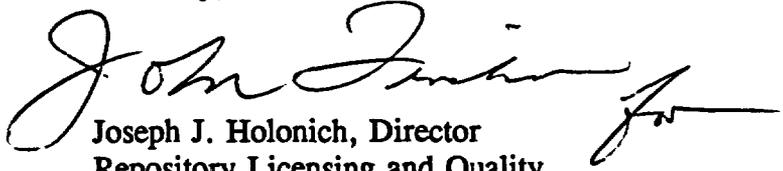
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be maintained in accordance with the M&O procedure for records management. We recommend that this requirement be reinstated.

The NRC staff also recognizes a good practice in that the M&O staff preparing the closure packages documented actions beyond those specifically required for closure of the hold point. That is, several Open Item Reports required only a revised "Mined Geological Procedure" or a revised "Monitored Retrievable Storage Facility Procedure." In cases where the revised procedure had been superseded by an M&O QA procedure, the closure package includes not only the revised procedure but also the superseding M&O QA procedure and indicates where the hold point is covered in it. We believe that this extra effort and actions similar to it will pay dividends at the time of licensing.

If you have any questions concerning this report, please contact Jack Spraul of my staff on (301) 504-2446.

Sincerely,



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
T. J. Hickey, Nevada Legislative
Committee
C. Gertz, DOE/NV
S. Bradhurst, 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. Sperry, White Pine County, NV
R. Williams, Lander County, NV
P. Goicoechea, Eureka County, NV
L. Vaughan II, Esmeralda County, NV
C. Shank, Churchill County, NV

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Sincerely,
Original Signed by *[Signature]*
Joseph J. Holonich, Director
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Division of High-Level Waste Management
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