

Mr. Ralph Stein, Associate Director
for Systems Integration and Regulations
Office of Civilian Radioactive Waste Management
U.S. Department of Energy, RW-24
Washington, D.C. 20545

NOV 08 1989

Dear Mr. Stein:

SUBJECT: OBSERVATION AUDIT OF SANDIA NATIONAL LABORATORY

From September 11 through 15, 1989, members of the U. S. Nuclear Regulatory Commission (NRC) staff participated as observers on the U. S. Department of Energy (DOE)/Yucca Mountain Project Office (YMPO) Quality Assurance (QA) Audit No. 89-3 of Sandia National Laboratory (SNL) conducted at Albuquerque, New Mexico. The NRC staff evaluated the DOE/YMPO QA audit to gain confidence that DOE and its contractors are properly implementing the requirements of their QA programs. The NRC staff based its evaluation of the audit process and the SNL QA program on direct observation of the auditors, discussions with the audit team, and reviews of the pertinent audit information (e.g., audit plan, checklists, and SNL documents). This letter transmits NRC Observation Audit Report No. 89-6 for the DOE/YMPO QA audit of SNL.

The NRC staff has determined that, overall, DOE/YMPO Audit No. 89-3 of SNL was meaningful and effective. The audit team was well qualified in the QA and technical disciplines, and their assignments and checklist items were adequately described in the audit plan. The audit's coverage of implementation of the SNL QA program included a limited number of technical products developed under QA Level 1 and 2 controls and a review and assessment of SNL QA and technical procedures and personnel to understand and determine the acceptability of the SNL QA and technical programs, including the capabilities of the QA and technical staff. The audit team drafted thirteen preliminary Standard Deficiency Reports (SDRs) associated with deficiencies in the SNL QA program.

In general, the NRC staff agrees with the preliminary DOE/YMPO audit team conclusion that the Sandia QA program has adequate controls in place to continue the YMP work. However, as noted by the audit team, the software QA and quality level assignment programs are not yet approved and the surveillance and calibration programs are not currently being effectively implemented. Because of these concerns, DOE should closely monitor the SNL program to ensure that future implementation is carried out in an acceptable manner. The NRC staff expects to participate in this monitoring as observers and may perform its own independent audits at a later date. The NRC will issue an acceptance letter when our concerns with the QA program are satisfactorily addressed.

The NRC staff is especially concerned that the deficiencies identified by the audit team had not been previously identified by the SNL QA organization. This may have been the result of the limited number and quality of audits and surveillances conducted over the last year by a small QA organization within SNL.

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To assist the NRC in its continuing review, the DOE should furnish the NRC staff with its schedule for audits and surveillances of SNL activities in the next twelve months. The NRC staff will evaluate implementation of the SNL QA program on an ongoing basis.

If you have any questions, please call Mark Delligatti on (301) 492-0430.

Sincerely,

John J. Linehan, Director
Repository Licensing and Quality
Assurance Project Directorate
Division of High-Level Waste Management

Enclosure: As stated

cc: C. Gertz, DOE
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