June 2, 2005

Mr. R. Dennis Brown, Director
Office of Quality Assurance
Office of Repository Development
Office of Civilian Radioactive Waste Management
U. S. Department of Energy
1551 Hillshire Drive
Mail Stop 524
North Las Vegas, NV 89134

SUBJECT: U.S. NUCLEAR REGULATORY COMMISSION OBSERVATION AUDIT

REPORT NO. OAR-05-02, "OBSERVATION AUDIT OF BECHTEL SAIC COMPANY, LLC QUALITY ASSURANCE SUPPLIER AUDIT BQA-AS-05-04

OF JOSEPH OAT CORPORATION"

Dear Mr. Brown:

I am transmitting the U.S. Nuclear Regulatory Commission (NRC) Observation Audit Report No. OAR–05–02. This report provides the results of NRC staff observation of the Bechtel SAIC Company, LLC (BSC) audit of the Joseph Oat Corporation located in Camden, New Jersey. The BSC audit team conducted this audit on April 26–28, 2005.

In accordance with 10 CFR 2.390 of the NRC's "Rules of General Applicability," a copy of this letter will be available electronically in the NRC Public Document Room or from the Publically Available Records component of the NRC's document system (ADAMS). The ADAMS package accession number is ML051440011. ADAMS is accessible from the NRC Web site at <a href="http://www.nrc.gov/reading-rm/adams.html">http://www.nrc.gov/reading-rm/adams.html</a>.

A written response to this letter and the enclosed report is not required. If you have any questions regarding this matter, please contact Thomas Matula of my staff at 301-415-6700 or by e-mail at tom1@nrc.gov.

Sincerely,

## /RA/

Elmo E. Collins, Deputy Director Division of High-Level Waste Repository Safety Office of Nuclear Material Safety and Safeguards

## Enclosure:

The U.S. NRC Observation Audit Report No. OAR-05-02, "Observation Audit of Bechtel SAIC Company, LLC Quality Assurance Supplier Audit BQA-AS-05-04 of Joseph Oat Corporation"

cc: See attached list

Letter to R. Dennis Brown from Elmo E. Collins, dated: <u>June 2, 2005</u> cc:

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- R. Massey, Churchill/Lander County, NV
- I. Navis, Clark County, NV
- E. von Tiesenhausen, Clark County, NV
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- R. Damele, Eureka County, NV
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- L. Mathias, Mineral County, NV
- D. Swanson, Nye County, NV
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- D. Hammermeister, Nye County, NV
- M. Simon, White Pine County, NV
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- R. Clark, EPA
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- A. Elzeftawy, Las Vegas Paiute Tribe
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- J. Mitchell, BSC
- D. Beckman, BSC/B&A
- A. Alfano, Lincoln County, NV
- J. Kennedy, Timbisha Shoshone Tribe
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cc: (Continued)

R. McCullum, NEI

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J. Kessler, EPRI

D. Duncan, USGS

R. Craig, USGS

W. Booth, Engineering Svcs, LTD

C. Marden, BNFL Inc.

J. Bacoch, Big Pine Paiute Tribe of the Owens Valley

P. Thompson, Duckwater Shoshone Tribe

T. Kingham, GAO

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E. Hiruo, Platts Nuclear Publications

G. Hernandez, Las Vegas Paiute Tribe

K. Finfrock, NV Congressional Delegation

P. Johnson, Citizen Alert

A. Capoferri, DOE/Washington, DC

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R. Holden, NCAI

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D. Eddy, Jr., Colorado River Indian Tribes

H. Jackson, Public Citizen

J. Wells, Western Shoshone National Council

D. Crawford, Inter-Tribal Council of NV

I. Zabarte, Western Shoshone National

Council

S. Devlin

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D. Irwin, Hunton & Williams

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Elmo E. Collins, Deputy Director Division of High-Level Waste Repository Safety Office of Nuclear Material Safety and Safeguards

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cc: See attached list

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